



PINNACLE OF SUCCESS

At Adamjee Insurance our aspirations reflect the commitment, passion and resilience that goes into our performance for our customers. With our teamwork nothing is unreachable, no matter what the route ahead has in store for us, we are ready to move mountains. It is the mountain that inspires us to go further, for each climb takes us closer to success.



THE PATHWAY TO SUCCESS



VISION

Our will is to explore, innovate
and differentiate.

Our passion is to provide
leadership to insurance industry.



CORE VALUES

- Integrity
- Humility
- Fun at the Workplace
- Corporate Social Responsibility

COMPANY INFORMATION

BOARD OF DIRECTORS

Umer Mansha	Chairman
Ibrahim Shamsi	Director
Imran Maqbool	Director
Muhammad Anees	Director
Muhammad Arif Hameed	Director
Muhammad Umar Virk	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & Chief Executive Officer

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Shaikh Muhammad Jawed	Member
Umer Mansha	Member

ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Muhammad Ali Zeb	Member
Umer Mansha	Member

INVESTMENT COMMITTEE

Umer Mansha	Chairman
Imran Maqbool	Member
Muhammad Ali Zeb	Member
Muhammad Asim Nagi	Member

COMPANY SECRETARY

Tameez ul Haque, F.C.A

CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, A.C.A

EXECUTIVE MANAGEMNT TEAM

Muhammad Ali Zeb
Muhammad Asim Nagi
Adnan Ahmad Chaudhry
Asif Jabbar
Muhammad Salim Iqbal

AUDITORS

M/s KPMG Taseer Hadi & Company
Chartered Accountants
351, Shadman – 1, Main Jail Road,
Lahore -54000, Pakistan

SHARIAH ADVISOR

Mufti Muhammad Hassan Kaleem

SHARE REGISTRAR

Central Depository Company of Pakistan Ltd
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400
Ph: (92-21) 111-111-500
Fax (92-21) - 34326031

BANKERS

Askari Bank Limited
Abu Dhabi Commercial Bank, U.A.E
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Emirates Islamic Bank, U.A.E
FINCA Microfinance Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Khushali Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Mobilink Microfinance Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
The Punjab Provincial Cooperative Bank Limited
United Bank Limited
Zarai Taraqiat Bank Limited

REGISTERED OFFICE

4th Floor, 27-C-III, Tanveer Building, M.M. Alam
Road, Gulberg-III, Lahore- 54000, Pakistan.
Phone: (92-42) 35772960-79
Fax (92-42) – 35772868
Email: info@adamjeeinsurance.com
Web: www.adamjeeinsurance.com

Directors' Review to the Members on Unconsolidated Condensed Interim Financial Information (Unaudited) For the quarter ended 31 March 2019

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial information of the Company for the first quarter ended 31 March 2019.

Financial Highlights:

The highlights for the period under review are as follows:

	31 March 2019	31 March 2018
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross Premium	6,256,266	3,694,166
Net Premium	3,755,197	3,147,195
Underwriting results	295,674	398,261
Investment Income	488,896	544,751
Profit before tax	818,488	950,914
Profit after tax	588,346	663,399
	31 March 2019	31 March 2018
	Rupees	
	(Unaudited)	(Unaudited)
Earnings per share	<u>1.68</u>	<u>1.90</u>

Performance Review:

Gross Premium of the Company increased by 69% and Net Premium increased by 19% over the same period of 2018. There was a drop in profitability of 26% in underwriting results over the last period. Investment income also decreased by 10% in the first quarter of 2019 as compared to the corresponding figures in the last period due to the continuing underperformance by the stock market. Consequently, profit before tax and profit after tax decreased by 14 % and 11 % respectively.

Window Takaful Operations:

Written contribution and Surplus of Participants' Takaful Fund amounted to Rs. 329,529 thousands (2018: Rs. 262,412 thousands) and Rs. 41,672 (2018 (Deficit): Rs. 5,616 thousands), respectively. Most of the growth in contribution written came from the Motor and Fire & Property Damage line of businesses which contributed 32% and 26%, respectively to the total contribution written in this quarter. Window Takaful Operations profit before tax increased by 33% amounting to Rs. 26,434 thousands for the period ended 31 March 2019 (2018: Rs. 19,810 thousands).

Future Outlook:

Pakistan's insurance industry offers considerable long-term potential, given the size of the country's population and the low level of insurance coverage. With penetration in the life and non-life sectors currently 0.6% and 0.3% respectively, coverage levels are presently lower than those of neighboring markets.

Rising income levels and an expanding middle class offer optimism that household insurance usage will tick upwards over the next few years. Despite growing challenges, the Company is fully equipped to maintain its market leadership on the back of enhanced capacity and improved competitiveness.

Auditors:

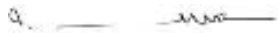
The shareholders in their Annual General Meeting held on April 29, 2019, appointed Messrs. Deloitte Yousuf Adil Chartered Accountants as statutory auditors for the next term.

Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Insurance emerge as one of the Pakistan's leading insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan for their continued guidance and assistance.

For and on behalf of the Board

Lahore: 29th April 2019



Muhammad Umar Virk
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

غیر مجتمع مختصر عبوری مالیاتی معلومات پر ممبران کو ڈائریکٹرز کی جائزہ رپورٹ بابت سہ ماہی مختتمہ 31 مارچ 2019ء

بورڈ کی جانب سے، 31 مارچ 2019ء کو ختم شدہ پہلی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ غیر حتمی عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں:

زیر جائزہ مدت کی جھلکیاں درج ذیل

31 مارچ 2019ء	31 مارچ 2018ء
(ہزار روپے میں)	
غیر آڈٹ شدہ	غیر آڈٹ شدہ
3,694,166	6,256,266
3,147,195	3,755,197
398,261	295,674
544,751	488,896
950,914	818,488
663,399	588,346

مجموعی پریمیم

خالص پریمیم

انڈر رائٹنگ رولز

سرمایہ کاری سے آمدنی

منافع قبل از ٹیکس

منافع بعد از ٹیکس

31 مارچ 2019ء	31 مارچ 2018ء
(ہزار روپے میں)	
غیر آڈٹ شدہ	غیر آڈٹ شدہ
1.90	1.68

آمدنی فی شیئر (روپے)

کارکردگی کا جائزہ:

کمپنی کا مجموعی (گراس) پریمیم 69% بڑھ گیا جبکہ خالص (نیٹ) پریمیم 19% بڑھا۔ گزشتہ سال کے مقابلے میں انڈر رائٹنگ میں 26% کمی کے ساتھ قیمتوں کے گرنے کی روایت کے سبب منافع جات میں بھی کمی آئی۔ اسٹاک مارکیٹ میں مسلسل عدم استحکام کے باعث گزشتہ سال کے اسی عرصے کے مقابلے میں 2019 کی پہلی سہ ماہی میں سرمایہ کاری سے آمدنی بھی 10% تک کم ہوئی۔ اسی طرح، منافع قبل از ٹیکس اور منافع بعد از ٹیکس بالترتیب 14% اور 11% کم ریکارڈ کیا گیا۔

ونڈ وٹکفل آپریشنز:

تحریری معاونت (written contribution) اور وٹکفل فنڈ میں شراکت داروں کے سرپلس وٹکفل فنڈ بالترتیب 329,529 ہزار روپے (2018: 262,412 ہزار روپے) اور 41,672 روپے (2018: نقصان) 5,616 ہزار روپے پر پہنچا۔ کنٹریبیوٹن میں زیادہ تر اضافہ موثر اینڈ فائز اینڈ پراپرٹی کو بیچنے والے نقصان کے کاروباروں سے آیا جو اس سہ ماہی میں گُل کنٹریبیوٹن کا بالترتیب 32% اور 26% ہے۔ 31 مارچ 2019 کو ختم شدہ سہ ماہی میں وٹکفل آپریشنز منافع قبل از ٹیکس 33% اضافے کے ساتھ 26,434 ہزار روپے پر پہنچا (2018: 19,810 ہزار)۔

مستقبل کے امکانات:

ملکی آبادی اور انشورنس کوریج میں تناسب کی کم سطح کے باعث پاکستان کی انشورنس انڈسٹری میں طویل مدتی ترقی کے امکانات ہیں۔ اس وقت لائف اور نان لائف یکسر میں بالترتیب 0.6% اور 0.3% کی شرح کے مطابق موجودہ کوریج کی سطح پر وڈی مارکیٹوں کے مقابلے میں کم ہے۔

آمدنی میں اضافے اور منڈل کلاس کی وسعت کے باعث آئندہ چند برسوں میں گھریلو انشورنس کے استعمال میں اضافہ ہوگا۔ بڑھتی ہوئی مشکلات کے باوجود، گجائش میں اضافے اور مہارتوں میں بہتری کی بدولت کمپنی مارکیٹ میں اپنی لیڈر شپ کو برقرار رکھنے کے لیے مکمل طور پر تیار ہے۔

آڈیٹرز:

29 اپریل، 2019 کو منعقدہ سالانہ اجلاس عام میں شیئرز ہولڈرز نے میسرز ڈیلائیٹ یوسف عادل چارٹرڈ اکاؤنٹنٹس کو آئندہ مدت کے لیے اسٹیٹیوٹری آڈیٹرز کے طور پر مقرر کیا ہے۔

اعتراف:

ہم اپنے شیئرز ہولڈرز، معزز صارفین، ملازمین اور ترقیاتی عملے کا ان کی مستقل معاونت پر تہہ دل سے شکریہ ادا کرتے ہیں جس نے آدھی انشورنس کو پاکستان کی ایک ممتاز ترین انشورنس کمپنی بنایا۔ ہم سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور بینک دولت پاکستان کی مستقل کی معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

منجانب و برائے بورڈ



محمد علی زیب

منیجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو آفیسر



محمد عروک

ڈائریکٹر

لاہور: 29 اپریل 2019ء

UNCONSOLIDATED

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2019
(Unaudited)



Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at 31 March 2019

	Note	31 March 2019	31 December 2018
		Rupees in thousand	
		(Unaudited)	(Audited)
Assets			
Property and equipment	7	3,705,375	3,514,313
Intangible assets	8	74,262	79,185
Investment in Subsidiary	9	694,895	694,895
Investments			
Equity securities	10	19,573,081	18,685,087
Debt securities	11	379,473	378,029
Term deposits	12	5,171,108	4,356,113
Loans and other receivable	13	715,668	275,875
Insurance / reinsurance receivables	14	7,687,201	7,033,977
Reinsurance recoveries against outstanding claims		5,817,959	6,046,905
Salvage recoveries accrued		360,356	350,340
Deferred commission expense / Acquisition cost		799,779	788,431
Prepayments	15	3,520,686	3,048,306
Cash and bank	16	1,108,586	2,211,444
		49,608,429	47,462,900
Total assets of Window Takaful Operations - Operator's Fund	17	418,881	382,194
Total Assets		50,027,310	47,845,094
Equity And Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	3,930,578	3,784,200
Unappropriated Profit		12,967,504	12,379,158
Total Equity		20,398,082	19,663,358
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		10,193,465	10,461,975
Unearned premium reserves		10,802,642	10,100,901
Unearned reinsurance commission		195,759	221,371
Retirement benefit obligation		211,496	198,981
Deferred taxation		957,905	944,446
Premium received in advance		410,630	407,988
Insurance / reinsurance payables		3,588,090	2,709,714
Other creditors and accruals	19	2,143,698	2,205,732
Deposits and other payables		686,633	692,086
Taxation - provision less payments		191,859	8,723
		29,382,177	27,951,917
Total liabilities of Window Takaful Operations - Operator's Fund	17	247,051	229,819
Total Equity and Liabilities		50,027,310	47,845,094
Contingencies and commitments	20		

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial
Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Quarter Ended 31 March 2019


		Quarter Ended	
		31 March	31 March
	Note	2019	2018
		Rupees in thousand	
Net Insurance Premium	21	3,755,197	3,147,195
Net Insurance Claims	22	(2,277,791)	(1,811,177)
Net Commission and other acquisition costs	23	(369,553)	(279,147)
Insurance claims and acquisition expenses		(2,647,344)	(2,090,324)
Management expenses		(812,179)	(658,610)
Underwriting results		295,674	398,261
Investment income	24	488,896	544,751
Rental income		845	2,515
Other income		37,381	22,443
Other expenses		(30,742)	(36,866)
Results of operating activities		792,054	931,104
Profit from window takaful operations		26,434	19,810
Profit before tax		818,488	950,914
Income tax expense		(230,142)	(287,515)
Profit after tax		588,346	663,399

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Quarter Ended 31 March 2019

Business Underwritten Inside Pakistan

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
Net Insurance Premium	1,793,190	1,757,600
Net Insurance Claims	(934,144)	(863,946)
Net Commission and other acquisition costs	(113,813)	(97,795)
Insurance claims and acquisition expenses	(1,047,957)	(961,741)
Management expenses	(536,122)	(477,157)
Underwriting results	209,111	318,702
Investment income	443,774	532,928
Rental income	845	2,515
Other income	27,039	15,740
Other expenses	(27,796)	(35,047)
Results of operating activities	652,973	834,838
Profit from window takaful operations	26,434	19,810
Profit before tax	679,407	854,648

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Quarter Ended 31 March 2019

Business Underwritten Outside Pakistan

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
Net Insurance Premium	1,962,007	1,389,595
Net Insurance Claims	(1,343,647)	(947,231)
Net Commission and other acquisition costs	(255,740)	(181,352)
Insurance claims and acquisition expenses	(1,599,387)	(1,128,583)
Management expenses	(276,057)	(181,453)
Underwriting results	86,563	79,559
Investment income	45,122	11,823
Rental income	-	-
Other income	10,342	6,703
Other expenses	(2,946)	(1,819)
Results of operating activities	139,081	96,266
Profit from window takaful operations	-	-
Profit before tax	139,081	96,266

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2019

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
		<i>Restated</i>
Profit after tax for the period	588,346	663,399
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to profit and loss:</i>		
Net unrealized gains on 'available-for-sale' investments net of tax	137,618	769,808
Other comprehensive income from window takaful operations net of tax	423	540
Effect of translation of investment in foreign branches - net	8,337	22,393
Total comprehensive income for the period	734,724	1,456,140

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.



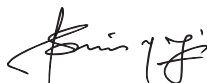
Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
For the Quarter Ended 31 March 2019

	Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
	Rupees in thousand	
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	5,688,215	4,637,931
Reinsurance premiums paid	(1,372,817)	(1,058,108)
Claims paid	(3,718,221)	(2,807,430)
Surrenders paid	(14,666)	(14,790)
Reinsurance and other recoveries received	1,258,676	882,803
Commissions paid	(525,565)	(394,854)
Commissions received	89,055	90,331
Other underwriting payments	(871,191)	(573,308)
Net cash inflow from underwriting activities	533,486	762,575
Other operating activities		
Income tax paid	(36,489)	(23,979)
Other operating payments	(64,483)	(53,720)
Loans advanced	(16,138)	(10,868)
Loans repayments received	13,123	12,556
Other operating receipts	18,744	6,868
Net cash outflow from other operating activities	(85,243)	(69,143)
Total cash inflow from all operating activities	448,243	693,432
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	75,513	15,352
Income received from TFCs	-	-
Income from treasury bills	7,581	11,116
Dividends received	52,771	130,542
Rentals received	776	768
Payments for investments	(3,912,778)	(1,228,581)
Proceeds from disposal of investments	2,443,008	744,873
Fixed capital expenditure - tangible assets	(224,887)	(128,120)
Fixed capital expenditure - intangible assets	-	(185)
Proceeds from disposal of operating fixed assets	9,196	2,460
Total cash outflow from investing activities	(1,548,820)	(451,775)
<u>Cash flows from financing activities</u>		
Dividends paid	(2,281)	(637)
Net cash outflow from financing activities	(2,281)	(637)
Net cash (outflow) / inflow from all activities	(1,102,858)	241,020
Cash and cash equivalent at the beginning of the period - restated	2,211,444	2,278,616
Cash and cash equivalent at the end of the period	1,108,586	2,519,636

Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	448,243	693,432
Depreciation expense	(34,123)	(30,608)
Provision for gratuity	(11,564)	(11,160)
Other income - bank & term deposits	45,824	26,391
Gain on disposal of operating fixed assets	4,192	1,011
Rental income	845	2,515
Increase / (decrease) in assets other than cash	1,037,411	(1,307,553)
(increase) / decrease in liabilities other than running finance	(488,559)	229,598
Increase in tax liabilities	(230,142)	(287,515)
Profit on sale of investments	460	104,215
Amortization expense	(5,495)	(3,956)
(Increase) / decrease in unearned premium	(701,741)	776,215
Increase / (decrease) in loans	3,015	(1,688)
Income taxes paid	36,489	23,979
Reversal / (provision) for impairment in value of 'available-for-sale' investments	14,700	37,012
Dividend and other income	432,067	383,523
Income from treasury bills	10,290	6,827
Income from TFCs	-	1,351
Profit for the period from Window Takaful Operations	26,434	19,810

Profit after tax

588,346	663,399
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Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	9,512	8,111
Current and other accounts	1,099,074	2,511,525

Total cash and cash equivalents

1,108,586	2,519,636
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The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.



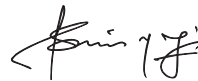
Chairman



Director



Director



Chief Financial Officer



**Managing Director &
Chief Executive Officer**

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Quarter Ended 31 March 2019

Business Underwritten Inside Pakistan

	Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
	Rupees in thousand	
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	3,523,577	3,215,128
Reinsurance premiums paid	(1,349,456)	(995,837)
Claims paid	(2,030,503)	(1,632,181)
Surrenders paid	(14,666)	(14,790)
Reinsurance and other recoveries received	876,022	531,144
Commissions paid	(240,990)	(176,736)
Commissions received	85,643	87,816
Other underwriting payments	(474,156)	(305,513)
Net cash inflow from underwriting activities	375,471	709,031
Other operating activities		
Income tax paid	(36,489)	(23,979)
Other operating payments	(61,537)	(51,270)
Loans advanced	(11,152)	(7,090)
Loans repayments received	9,283	9,457
Other operating receipts	12,953	6,872
Net cash outflow from other operating activities	(86,942)	(66,010)
Total cash inflow from all operating activities	288,529	643,021
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	9,983	7,866
Income received from TFCs	-	-
Income from treasury bills	7,581	11,116
Dividends received	39,028	130,542
Rentals received	776	768
Payments for investments	(1,161,600)	(968,882)
Proceeds from disposal of investments	436,612	744,873
Fixed capital expenditure - tangible assets	(224,808)	(117,708)
Fixed capital expenditure - intangible assets	-	(185)
Proceeds from disposal of operating fixed assets	8,876	2,299
Total cash outflow from investing activities	(883,552)	(189,311)
<u>Cash flows from financing activities</u>		
Dividends paid	(2,281)	(637)
Net cash outflow from financing activities	(2,281)	(637)
Net cash (outflow) / inflow from all activities	(597,304)	453,073
Cash and cash equivalent at the beginning of the period - restated	1,153,040	1,107,208
Cash and cash equivalent at the end of the period	555,736	1,560,281

Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	288,529	643,021
Depreciation expense	(22,285)	(25,346)
Provision for gratuity	(8,410)	(5,213)
Other income - bank & term deposits	4,103	7,866
Gain on disposal of operating fixed assets	4,192	1,369
Rental income	845	2,515
Increase / (Decrease) in assets other than cash	624,803	(1,456,589)
(Increase) / decrease in liabilities other than running finance	(197,279)	668,680
Profit on sale of investments	460	104,215
Amortization expense	(1,632)	(2,390)
(Increase) / decrease in unearned premium	(521,885)	446,385
Increase / (decrease) in loans	1,729	(2,367)
Income taxes paid	36,489	23,979
Reversal / (provision) for impairment in value of 'available-for-sale' investments	14,700	37,012
Dividend and other income	418,324	383,523
Income from treasury bills	10,290	6,827
Income from TFCs	-	1,351
Profit for the period from Window Takaful Operations	26,434	19,810

Profit before tax

679,407	854,648
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Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	8,921	8,086
Current and other accounts	546,815	1,552,195

Total cash and cash equivalents

555,736	1,560,281
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The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Quarter Ended 31 March 2019

Business Underwritten Outside Pakistan

	Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
	Rupees in thousand	
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	2,164,638	1,422,803
Reinsurance premiums paid	(23,361)	(62,271)
Claims paid	(1,687,718)	(1,175,249)
Surrenders paid	-	-
Reinsurance and other recoveries received	382,654	351,659
Commissions paid	(284,575)	(218,118)
Commissions received	3,412	2,515
Other underwriting payments	(397,035)	(267,795)
Net inflow from underwriting activities	158,015	53,544
Other operating activities		
Income tax paid	-	-
Other operating payments	(2,946)	(2,450)
Loans advanced	(4,986)	(3,778)
Loans repayments received	3,840	3,099
Other operating receipts	5,791	(4)
Net cash outflow from other operating activities	1,699	(3,133)
Total cash inflow from all operating activities	159,714	50,411
<u>Cash flows from investing activities</u>		
Profit / return received	65,530	7,486
Income received from TFCs	-	-
Income from treasury bills	-	-
Dividends received	13,743	-
Rentals received	-	-
Payments for investments	(2,751,178)	(259,699)
Proceeds from disposal of investments	2,006,396	-
Fixed capital expenditure - tangible assets	(79)	(10,412)
Fixed capital expenditure - intangible assets	-	-
Proceeds from disposal of operating fixed assets	320	161
Total cash outflow from investing activities	(665,268)	(262,464)
<u>Cash flows from financing activities</u>		
Dividends paid	-	-
Net cash inflow / (outflow) from financing activities	-	-
Net cash outflow from all activities	(505,554)	(212,053)
Cash and cash equivalent at the beginning of the period - restated	1,058,404	1,171,408
Cash and cash equivalent at the end of the period	552,850	959,355

Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	159,714	50,411
Depreciation expense	(11,838)	(5,262)
Provision for gratuity	(3,154)	(5,947)
Other income - bank & term deposits	41,721	18,525
Loss on disposal of operating fixed assets	-	(358)
Rental income	-	-
Increase in assets other than cash	412,608	149,036
Decrease in liabilities other than running finance	(291,280)	(439,082)
Profit on sale of investments	-	-
Amortization expense	(3,863)	(1,566)
(Increase) / decrease in unearned premium	(179,856)	329,830
Increase in loans	1,286	679
Income taxes paid	-	-
Reversal / (provision) for impairment in value of 'available-for-sale' investments	-	-
Dividend and other income	13,743	-
Income from treasury bills	-	-
Income from TFCs	-	-
Profit for the period from Window Takaful Operations	-	-

Profit before tax

139,081	96,266
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Quarter Ended 31 March 2019	Quarter Ended 31 March 2018
Rupees in thousand	

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	591	25
Current and other accounts	552,259	959,330

Total cash and cash equivalents

552,850	959,355
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The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the Quarter Ended 31 March 2019

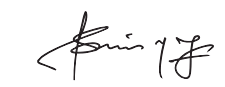
	Share capital	Capital reserve				Revenue reserve		
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Unappropriated Profit	Total
	Rupees in thousand							
Balance as at 31 December 2017 - (Audited)	3,500,000	22,859	3,764	467,100	3,570,278	936,500	11,863,964	20,364,465
Profit for the period 01 January 2018 to 31 March 2018	-	-	-	-	-	-	663,399	663,399
Other comprehensive income for the period 01 January 2018 to 31 March 2018	-	-	-	22,393	770,348	-	-	792,741
Total comprehensive income for the period	-	-	-	22,393	770,348	-	663,399	1,456,140
Balance as at 31 March 2018 - (Unaudited) restated	3,500,000	22,859	3,764	489,493	4,340,626	936,500	12,527,363	21,820,605
Profit for the period 01 April 2018 to 31 December 2018	-	-	-	-	-	-	575,601	575,601
Other comprehensive income for the period 01 April 2018 to 31 December 2018	-	-	-	124,569	(2,133,611)	-	(23,806)	(2,032,848)
Total comprehensive income for the period	-	-	-	124,569	(2,133,611)	-	551,795	(1,457,247)
Transactions with owners of the Company								
Final dividend for the year ended 31 December 2017 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)
Interim dividend for the year ended 30 June 2018 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)
	-	-	-	-	-	-	(700,000)	(700,000)
Balance as at 31 December 2018 - (Audited)	3,500,000	22,859	3,764	614,062	2,207,015	936,500	12,379,158	19,663,358
Profit for the period 01 January 2019 to 31 March 2019	-	-	-	-	-	-	588,346	588,346
Other comprehensive income for the period 01 January 2019 to 31 March 2019	-	-	-	8,337	138,041	-	-	146,378
Total comprehensive income for the period	-	-	-	8,337	138,041	-	588,346	734,724
Balance as at 31 March 2019 - (Unaudited)	3,500,000	22,859	3,764	622,399	2,345,056	936,500	12,967,504	20,398,082

The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

For the Quarter Ended 31 March 2019

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Company") is a public limited Company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business. The registered office of the Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

2 Basis of preparation and statement of compliance

This unconsolidated condensed interim financial information of the Company for the quarter ended 31 March 2019 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017 and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. A separate set of statement of financial position of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2018. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2018, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Company for the quarter ended 31 March 2018.

This unconsolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This unconsolidated condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This unconsolidated condensed interim financial information have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the unconsolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2018.

The company has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2019, as mentioned in the financial statement for the year ended 31 December 2018.

There is no significant impact of such changes on this condensed interim financial information of the Company.

5 Use of estimates and judgments

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2018.

6 Insurance and Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated annual financial statements for the year ended 31 December 2018.

		(Unaudited) 31 March 2019	(Audited) 31 December 2018
	Note	Rupees in thousand	
7 Property and equipment			
Opening balance - net book value		2,332,540	2,132,353
Additions during the period	7.1	15,722	291,109
Book value of disposals during the period	7.2	(5,004)	(16,733)
Depreciation charged during the period / year		(34,123)	(126,232)
Exchange difference		5,302	52,043
		(33,825)	(90,922)
		2,314,437	2,332,540
Capital work in progress	7.3	1,390,938	1,181,773
		3,705,375	3,514,313

7.1 Additions during the period:

Land and buildings	-	170,852
Furniture and fixtures	45	37,242
Motor vehicles	14,584	70,594
Machinery and equipments	347	4,619
Computer and related accessories	746	7,802
	15,722	291,109

7.2 Written down values of property and equipment disposed off during the period / year

Motor vehicles	4,931	16,404
Machinery and equipments	73	309
Computer and related accessories	-	20
	5,004	16,733

7.3 Capital work in progress

Capital work in progress as of 31 March 2019 includes advances to contractors and suppliers amounting to Rs. 75,630 thousands (31 December 2018: Rs. 82,426 thousands).

		(Unaudited) 31 March 2019	(Audited) 31 December 2018
		Rupees in thousand	
8 Intangible assets			
Opening balance - net book value		79,185	34,242
Additions during the period		-	59,285
Book value of disposals during the period		-	-
Amortization charged during the period		(5,495)	(22,983)
Exchange difference		572	8,641
		(4,923)	(14,342)
		74,262	79,185
9 Investment in subsidiary			
Adamjee Life Assurance Company Limited - At cost		694,895	694,895

10 Investment in equity securities

Available-for-sale

Related parties

	31 March 2019 (Unaudited)			31 December 2018 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	Rupees in thousands					
Listed shares	8,396,663	(164,863)	8,231,800	8,396,663	(164,863)	8,231,800
Unlisted shared	400,726	-	400,726	300,726	-	300,726
	8,797,389	(164,863)	8,632,526	8,697,389	(164,863)	8,532,526
Unrealized gain			1,454,810			1,295,559
			10,087,336			9,828,085

Others

Listed shares	7,311,094	(1,530,827)	5,780,267	7,274,808	(1,545,527)	5,729,281
Unlisted shared	925,360	-	925,360	925,360	-	925,360
Mutual Funds	978,358	-	978,358	389,312	-	389,312
NIT Units	161	-	161	161	-	161
	9,214,973	(1,530,827)	7,684,146	8,589,641	(1,545,527)	7,044,114
Unrealized gain			1,801,599			1,812,888
			9,485,745			8,857,002
Total	18,012,362	(1,695,690)	19,573,081	17,287,030	(1,710,390)	18,685,087

11 Investment in debt securities

Held-to-maturity

Others

	(Unaudited)	(Audited)
	31 March	31 December
	2019	2018
	Rupees in thousand	
Treasury Bills	379,473	378,029
	379,473	378,029

12 Investments in Term Deposits

Held to maturity

Deposits maturing within 12 months

Inside Pakistan

- related parties	5,703	6,811
- others	25,066	25,066
	30,769	31,877

Outside Pakistan

- related parties	1,113,397	871,396
- others	3,982,763	3,411,149
	5,096,160	4,282,545

Deposits maturing after 12 months

Inside Pakistan

- related parties	3,107	2,000
- others	41,072	39,691
	44,179	41,691

Outside Pakistan

- related parties	-	-
- others	-	-
	-	-

12.1

5,171,108	4,356,113
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- 12.1 These include fixed deposits amounting to Rs. 4,407,593 thousands (AED 115,000 thousands) [2018: Rs. 3,780,460 thousands (AED 100,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 74,948 thousands (2018: Rs. 73,568 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company.

		(Unaudited) 31 March 2019	(Audited) 31 December 2018
	Note	Rupees in thousand	
13 Loans and other receivables			
Considered good			
Rent receivable		5,037	4,968
Receivable from related parties	13.1	26,286	16,508
Accrued investment income		411,793	62,096
Security deposits		53,723	53,759
Advances to employees and suppliers		92,239	58,542
Agent commission receivable		22,227	24,085
Loans to employees		47,929	44,913
Other receivables		56,434	11,004
		715,668	275,875

13.1 This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of corporate life policy obtained for key management personnel of the Company. Company is the beneficiary in respect of policies obtained for the employees.

14 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	7,380,744	6,820,415
Provision for impairment of receivables from insurance contract holders	(635,068)	(629,668)
	6,745,676	6,190,747
Due from other insurers / other reinsurers	1,142,827	1,044,532
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	941,525	843,230
	7,687,201	7,033,977

14.1 Due from insurance contact holders include an amount Rs. 74,518 thousands (2018: Rs. 349,886 thousands) held with related parties.

15 Prepayments

Prepaid reinsurance premium ceded	3,254,355	2,866,980
Prepaid rent	1,935	8,367
Prepaid miscellaneous expenses	264,396	172,959
	3,520,686	3,048,306

16 Cash and Bank

Cash and cash equivalents

Inside Pakistan

Cash in hand	666	408
Policy & revenue stamps, bond papers	8,255	5,895
	8,921	6,303
Outside Pakistan	591	-
	9,512	6,303

Cash at bank

Inside Pakistan

Current accounts	171,584	819,697
Saving accounts	375,231	327,040
	546,815	1,146,737

Outside Pakistan

Current accounts	547,249	1,053,464
Savings accounts	5,010	4,940
	552,259	1,058,404
	1,108,586	2,211,444

16.1 Cash at bank includes an amount of Rs. 162,090 thousands (31 December 2018: Rs. 401,990 thousands) held with MCB Bank Limited, a related party of the Company.

	(Unaudited) 31 March 2019	(Audited) 31 December 2018
	Rupees in thousand	
17 Window takaful operations - operator's fund		
Assets		
Cash and bank deposits	134,152	101,695
Qard-e-Hasna to Participant Takaful Fund	146,460	146,804
Investments	30,517	29,930
Intangible assets	20,901	20,633
Property and equipment	14,975	16,185
Current assets - others	71,876	66,947
Total Assets	418,881	382,194
Total liabilities	247,051	229,819
	(Unaudited) 31 March 2019	(Unaudited) 31 March 2018
	Rupees in thousand	
Wakala Fee	73,917	52,862
Commission expense	(22,495)	(13,056)
Management expense	(30,235)	(21,051)
Investment income	-	166
Other Income	5,247	889
Profit before tax	26,434	19,810
Taxation	(7,402)	(6,453)
Profit after tax	19,032	13,357

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the quarter ended 31 March 2019.

	(Unaudited) 31 March 2019	(Audited) 31 December 2018
	Rupees in thousand	
18 Reserves		
<u>Capital reserves</u>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	622,399	614,062
Fair value reserve	2,345,056	2,207,015
	2,994,078	2,847,700
<u>Revenue reserves</u>		
General reserves	936,500	936,500
	3,930,578	3,784,200
19 Other creditors and accruals		
Agents commission payable	669,587	708,645
Federal Excise Duty / Sales Tax / VAT	164,894	200,803
Federal Insurance Fee	48,009	37,729
Workers' welfare fund	448,951	432,246
Tax deducted at source	86,976	58,052
Accrued expenses	135,600	191,541
Unpaid and Unclaimed Dividend	119,069	121,350
Payable to Employees' Provident Fund	2,466	2,449
Sundry creditors	468,146	452,917
	2,143,698	2,205,732
20 Contingencies and commitments		
20.1 Contingencies		

There has been no significant change in the status of contingencies as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended 31 December 2018.

20.2 Commitments

The Company has issued letter of guarantees amounting to AED 426,000 amounting to Rs. 16,327 thousands (2018: AED 501,000 amounting to Rs. 18,940 thousands) relating to UAE branch.

21 Net Insurance Premium

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
Written Gross Premium	6,256,266	3,694,166
Unearned premium reserve opening	10,100,901	8,912,498
Unearned premium reserve closing	(10,802,642)	(8,136,283)
Currency translation effect	64,942	149,516
Premium earned	5,619,467	4,619,897
Reinsurance premium ceded	(2,251,193)	(877,919)
Prepaid reinsurance premium opening	(2,866,980)	(2,349,147)
Prepaid reinsurance premium closing	3,254,355	1,759,176
Currency translation effect	(452)	(4,812)
Reinsurance expense	(1,864,270)	(1,472,702)
	3,755,197	3,147,195

21.1 Net Insurance Premium - Business underwritten inside Pakistan

Written Gross Premium	4,119,815	2,506,526
Unearned premium reserve opening	5,508,453	5,186,518
Unearned premium reserve closing	(6,030,336)	(4,740,133)
Premium earned	3,597,932	2,952,911
Reinsurance premium ceded	(2,186,697)	(820,460)
Prepaid reinsurance premium opening	(2,838,973)	(2,079,920)
Prepaid reinsurance premium closing	3,220,928	1,705,069
Reinsurance expense	(1,804,742)	(1,195,311)
	1,793,190	1,757,600

21.2 Net Insurance Premium - Business underwritten outside Pakistan

Written Gross Premium	2,136,451	1,187,640
Unearned premium reserve opening	4,592,448	3,725,980
Unearned premium reserve closing	(4,772,306)	(3,396,150)
Currency translation effect	64,942	149,516
Premium earned	2,021,535	1,666,986
Reinsurance premium ceded	(64,496)	(57,459)
Prepaid reinsurance premium opening	(28,007)	(269,227)
Prepaid reinsurance premium closing	33,427	54,107
Currency translation effect	(452)	(4,812)
Reinsurance expense	(59,528)	(277,391)
	1,962,007	1,389,595

22 Net Insurance Claims Expense

Claim Paid	3,718,221	2,807,430
Outstanding claims including IBNR closing	10,193,465	11,426,866
Outstanding claims including IBNR opening	(10,461,975)	(11,485,744)
Currency translation effect	(72,992)	(201,209)
Claim expense	3,376,719	2,547,343
Reinsurance and other recoveries received	(1,356,971)	(988,846)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(6,178,315)	(7,917,116)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,397,245	8,056,450
Currency translation effect	39,113	113,346
Reinsurance and other recoveries revenue	(1,098,928)	(736,166)
	2,277,791	1,811,177

		Quarter Ended	
		31 March 2019	31 March 2018
		Rupees in thousand	
22.1	Net Insurance Claims Expense - Business underwritten inside Pakistan		
	Claim Paid	2,030,503	1,430,972
	Outstanding claims including IBNR closing	4,823,914	6,630,290
	Outstanding claims including IBNR opening	(5,386,215)	(7,084,282)
	Claim expense	1,468,202	976,980
	Reinsurance and other recoveries received	(1,008,594)	(510,256)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,295,122)	(5,205,590)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	3,769,658	5,602,812
	Reinsurance and other recoveries revenue	(534,058)	(113,034)
		934,144	863,946
22.2	Net Insurance Claims Expense - Business underwritten outside Pakistan		
	Claim Paid	1,687,718	1,376,458
	Outstanding claims including IBNR closing	5,369,551	4,796,576
	Outstanding claims including IBNR opening	(5,075,760)	(4,401,462)
	Currency translation effect	(72,992)	(201,209)
	Claim expense	1,908,517	1,570,363
	Reinsurance and other recoveries received	(348,377)	(478,590)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(2,883,193)	(2,711,526)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,627,587	2,453,638
	Currency translation effect	39,113	113,346
	Reinsurance and other recoveries revenue	(564,870)	(623,132)
		1,343,647	947,231
23	Net commission and other acquisition costs		
	Commission Paid or payable	488,365	279,397
	Deferred Commission expense opening	788,431	733,631
	Deferred Commission expense closing	(799,779)	(614,722)
	Currency translation effect	7,261	15,987
	Net Commission	484,278	414,293
	Commission received or recoverable	(89,055)	(90,331)
	Unearned reinsurance commission opening	(221,371)	(240,306)
	Unearned reinsurance commission closing	195,759	195,862
	Currency translation effect	(58)	(371)
	Commission from reinsurance	(114,725)	(135,146)
		369,553	279,147
23.1	Net commission and other acquisition costs Business underwritten Inside Pakistan		
	Commission Paid or payable	194,033	153,513
	Deferred Commission expense opening	297,403	326,325
	Deferred Commission expense closing	(264,800)	(254,852)
	Net Commission	226,636	224,986
	Commission received or recoverable	(85,644)	(88,185)
	Unearned reinsurance commission opening	(218,690)	(227,726)
	Unearned reinsurance commission closing	191,511	188,720
	Commission from reinsurance	(112,823)	(127,191)
		113,813	97,795
23.2	Net commission and other acquisition costs Business underwritten Outside Pakistan		
	Commission Paid or payable	294,332	125,884
	Deferred Commission expense opening	491,028	407,306
	Deferred Commission expense closing	(534,979)	(359,870)
	Currency translation effect	7,261	15,987
	Net Commission	257,642	189,307
	Commission received or recoverable	(3,411)	(2,146)
	Unearned reinsurance commission opening	(2,681)	(12,580)
	Unearned reinsurance commission closing	4,248	7,142
	Currency translation effect	(58)	(371)
	Commission from reinsurance	(1,902)	(7,955)
		255,740	181,352

24 Investment Income

Business underwritten Inside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings
- others

Income from debt securities - Held to maturity

Return on Term Finance Certificates

Profit on Treasury Bills

Net realized gains on investments

Realized gains on

- associated undertakings
- others

Reversal / (Provision) for impairment in value of
'available-for-sale' investments

Business underwritten Outside Pakistan

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings
- others

Income from term deposits

- associated undertakings
- others

Net investment income

25 Earnings (after tax) per share - basic and diluted

There is no dilutive effect on the basic earnings per share which is based on:

Profit after tax for the period attributable to ordinary shareholders

Weighted average number of ordinary shares

Earnings per share - basic and diluted

Quarter Ended	
31 March 2019	31 March 2018
Rupees in thousand	
191,309	191,111
227,015	192,412
418,324	383,523
-	1,351
10,290	6,827
10,290	8,178
-	-
460	104,215
460	104,215
429,074	495,916
14,700	37,012
443,774	532,928
-	-
13,743	-
13,743	-
4,063	-
27,316	11,823
31,379	11,823
45,122	11,823
488,896	544,751
588,346	663,399
Number of shares	
350,000,000	350,000,000
Rupees	
1.68	1.90

26 Transactions with related parties

The Company has related party relationships with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than those specified in their terms of employment.

Investment in related parties have been disclosed in note 9, 10, & 12 to the unconsolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

		(Unaudited) 31 March 2019	(Unaudited) 31 March 2018
		Rupees in thousand	
i) Transactions			
Subsidiary company			
	Premiums underwritten	13,202	11,562
	Premiums received	11,017	9,142
	Claims paid	1,908	80
	Claims received	2,500	2,500
	Premium paid	2,543	-
	Rent paid	750	-
	Rent / service charges received	284	-
Other related parties			
	Premiums underwritten	296,689	231,002
	Premiums received	543,943	533,164
	Claims paid	166,303	145,407
	Commission Paid	34,847	13,262
	Rent paid	965	1,309
	Income on bank deposits	7,822	5,493
	Investments made	100,000	143,093
	Fee / service charges paid	1,289	2,088
	Charge in respect of gratuity expense	8,410	5,312
	Contribution to Employees' Provident Fund	8,398	7,638
	Compensation paid to Key management personnel	356,215	312,831
		(Unaudited) 31 March 2019	(Audited) 31 December 2018
		Rupees in thousand	
ii) Period end balances			
Subsidiary company			
	Balances receivable	29,172	16,892
	Balances payable	3,283	2,085
Other related parties			
	Balances receivable	74,518	349,502
	Balances payable	372,418	761,866
	Cash and bank balances including term deposits	1,284,297	1,282,197
	Payable to Staff Gratuity Fund	141,537	133,127
	Payable to Employees' Provident Fund	2,466	2,449

Quarter Ended 31 March 2019

Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

Rupees in thousand

Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,348,132	18,697	225,853	8,487	828,770	2,205,102	640,761	10,647	584,689	9,444	4,628,205	2,252,377	6,880,582
Less: Federal excise duty	(281,907)	(1,341)	(24,520)	(157)	(98,975)	(113,361)	(11,180)	(507)	(50,628)	(483)	(467,210)	(115,849)	(583,059)
Federal insurance fee	(20,233)	(61)	(1,998)	(12)	(7,318)	-	(6,291)	-	(5,340)	(4)	(41,180)	(77)	(41,257)
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Gross written premium (inclusive of administrative surcharge)	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Gross direct premium	2,039,024	17,194	194,085	8,291	698,612	2,091,741	623,104	10,140	525,544	8,929	4,080,369	2,136,295	6,216,664
Facultative inward premium	2,730	-	167	-	-	-	-	-	-	-	2,897	-	2,897
Administrative surcharge	4,238	101	5,083	27	23,865	-	186	-	3,177	28	36,549	156	36,705
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266
Insurance premium earned	1,797,686	11,578	209,298	8,373	709,339	1,983,416	430,167	14,363	451,442	3,805	3,597,932	2,021,535	5,619,467
Insurance premium ceded to reinsurers	(1,548,350)	(7,377)	(25,651)	-	(12,387)	(40,007)	-	(9,386)	(218,354)	(2,758)	(1,804,742)	(59,528)	(1,864,270)
Net insurance premium	249,336	4,201	183,647	8,373	696,952	1,943,409	430,167	4,977	233,088	1,047	1,793,190	1,962,007	3,755,197
Commission income	80,561	1,321	225	-	738	-	-	-	31,299	581	112,823	1,902	114,725
Net underwriting income	329,897	5,522	183,872	8,373	697,690	1,943,409	430,167	4,977	264,387	1,628	1,906,013	1,963,909	3,869,922
Insurance claims	(356,636)	(2,828)	(81,418)	-	(364,771)	(1,891,460)	(377,212)	(14,229)	(288,165)	-	(1,468,202)	(1,908,517)	(3,376,719)
Insurance claim recoveries from reinsurer	302,356	7,856	(423)	-	15,325	546,001	-	11,013	216,800	-	534,058	564,870	1,098,928
Net claims	(54,280)	5,028	(81,841)	-	(349,446)	(1,345,459)	(377,212)	(3,216)	(71,365)	-	(934,144)	(1,343,647)	(2,277,791)
Commission expense	(105,606)	(1,504)	(26,906)	(1,619)	(50,797)	(254,252)	(14,217)	(72)	(29,110)	(195)	(226,636)	(257,642)	(484,278)
Management expense	(115,308)	(441)	(68,853)	(2,393)	(245,739)	(269,673)	(35,254)	(3,216)	(70,968)	(334)	(536,122)	(276,057)	(812,179)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(275,194)	3,083	(177,600)	(4,012)	(645,982)	(1,869,384)	(426,683)	(6,504)	(171,443)	(529)	(1,696,902)	(1,877,346)	(3,574,248)
Underwriting result	54,703	8,605	6,272	4,361	51,708	74,025	3,484	(1,527)	92,944	1,099	209,111	86,563	295,674
Net investment income											443,774	45,122	488,896
Rental income											845		845
Other income											27,039	10,342	37,381
Other expenses											(27,796)	(2,946)	(30,742)
Profit from Window Takaful Operations											26,434	-	26,434
Profit before tax											679,407	139,081	818,488

31 March 2019

Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

Rupees in thousand

Segment Assets	7,437,992	91,876	429,779	11,581	1,158,840	5,629,988	821,114	54,786	2,264,199	19,494	12,111,924	5,807,725	17,919,649
Unallocated assets											25,786,410	6,321,251	32,107,661
											37,898,334	12,128,976	50,027,310
Segment Liabilities	7,335,552	96,417	537,954	22,567	2,583,283	10,142,598	1,706,244	57,568	2,689,651	18,752	14,852,684	10,337,902	25,190,586
Unallocated Liabilities											3,727,204	711,438	4,438,642
											18,579,888	11,049,340	29,629,228

Quarter ended 31 March 2018													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	924,297	10,550	252,155	6,580	818,486	1,224,637	461,307	1,348	339,800	5,636	2,796,045	1,248,751	4,044,796
Less: Federal excise duty	(117,286)	(588)	(28,167)	(252)	(97,249)	(59,886)	-	(64)	(22,037)	(302)	(264,739)	(61,092)	(325,831)
Federal insurance fee	(8,009)	(9)	(2,217)	(5)	(7,148)	-	(4,567)	-	(2,840)	(5)	(24,781)	(19)	(24,800)
	799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166
Gross written premium (inclusive of administrative surcharge)	799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166
Gross direct premium	795,796	9,927	216,453	6,285	691,175	1,097,691	456,543	1,284	281,115	5,319	2,441,082	1,120,506	3,561,588
Facultative inward premium	(322)	-	65	-	-	-	-	-	30,999	-	30,742	-	30,742
Administrative surcharge	3,528	26	5,254	38	22,914	67,060	197	-	2,809	10	34,702	67,134	101,836
	799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166
Insurance premium earned	1,198,428	11,016	226,527	20,424	665,790	1,629,331	448,917	3,253	413,249	2,962	2,952,911	1,666,986	4,619,897
Insurance premium ceded to reinsurers	(970,428)	(6,727)	(32,942)	-	(9,776)	(266,308)	-	309	(182,165)	(4,665)	(1,195,311)	(277,391)	(1,472,702)
Net insurance premium	228,000	4,289	193,585	20,424	656,014	1,363,023	448,917	3,562	231,084	(1,703)	1,757,600	1,389,595	3,147,195
Commission income	87,843	2,435	142	-	4	5,330	-	-	39,202	190	127,191	7,955	135,146
Net underwriting income	315,843	6,724	193,727	20,424	656,018	1,368,353	448,917	3,562	270,286	(1,513)	1,884,791	1,397,550	3,282,341
Insurance claims	(58,479)	(91)	(37,031)	(129)	(328,351)	(1,569,526)	(390,650)	(617)	(162,469)	-	(976,980)	(1,570,363)	(2,547,343)
Insurance claim recoveries from reinsurer	(23,569)	(2,545)	(8,687)	-	42,671	623,939	-	1,738	102,619	-	113,034	623,132	736,166
Net claims	(82,048)	(2,636)	(45,718)	(129)	(285,680)	(945,587)	(390,650)	1,121	(59,850)	-	(863,946)	(947,231)	(1,811,177)
Commission expense	(95,089)	(1,436)	(30,893)	(1,334)	(47,576)	(185,888)	(8,919)	(365)	(42,509)	(284)	(224,986)	(189,307)	(414,293)
Management expense	(78,657)	(203)	(63,954)	(2,352)	(234,572)	(174,321)	(36,401)	(2,247)	(63,573)	(2,330)	(477,157)	(181,453)	(658,610)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(255,794)	(4,275)	(140,565)	(3,815)	(567,828)	(1,305,796)	(435,970)	(1,491)	(165,932)	(2,614)	(1,566,089)	(1,317,991)	(2,884,080)
Underwriting result	60,049	2,449	53,162	16,609	88,190	62,557	12,947	2,071	104,354	(4,127)	318,702	79,559	398,261
Net investment income											532,928	11,823	544,751
Rental income											2,515	-	2,515
Other income											15,740	6,703	22,443
Other expenses											(35,047)	(1,819)	(36,866)
Profit from Window Takaful Operations											19,810	-	19,810
Profit before tax											854,648	96,266	950,914
31 December 2018 (Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment Assets	7,344,826	70,585	652,691	12,632	1,210,746	5,236,105	596,098	43,884	1,906,664	12,403	11,711,025	5,375,609	17,086,634
Unallocated assets											24,802,217	5,956,243	30,758,460
											36,513,242	11,331,852	47,845,094
Segment Liabilities	7,287,011	89,828	695,068	21,940	2,592,722	9,514,021	1,341,301	46,326	2,301,540	12,191	14,217,642	9,684,306	23,901,948
Unallocated Liabilities											3,547,687	732,101	4,279,788
											17,765,329	10,416,407	28,181,736

28 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

		31 March 2019 (Unaudited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand									
<u>Financial assets - measured at fair value</u>											
Investments											
Equity securities - Quoted	10	17,245,470	-	-	-	-	17,245,470	17,245,470	-	-	17,245,470
Equity securities - Unquoted	10	3,022,505	-	-	-	-	3,022,505	-	-	3,022,505	3,022,505
Debt securities	11	-	379,473	-	-	-	379,473	-	379,473	-	379,473
Investments of Window Takaful Operations - Operator's Fund	17	30,517	-	-	-	-	30,517	-	-	-	-
<u>Financial assets - not measured at fair value</u>											
							-	-	-	-	-
Loans and other receivables *	13	-	-	715,668	-	-	715,668	-	-	-	-
Investment - Term deposits	12	-	5,171,108	-	-	-	5,171,108	-	-	-	-
Insurance / reinsurance receivables											
- unsecured and considered good *	14	-	-	7,687,201	-	-	7,687,201	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	5,817,959	-	-	5,817,959	-	-	-	-
Salvage recoveries accrued *		-	-	360,356	-	-	360,356	-	-	-	-
Prepayments *	15	-	-	3,520,686	-	-	3,520,686	-	-	-	-
Cash and bank *	16	-	-	-	1,108,586	-	1,108,586	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund	17	-	-	254,212	134,152	-	388,364	-	-	-	-
		20,298,492	5,550,581	18,356,082	1,242,738	-	45,447,893	17,245,470	379,473	3,022,505	20,647,448
<u>Financial liabilities - not measured at fair value</u>											
<u>Underwriting provisions:</u>											
Outstanding claims (including IBNR)*	22	-	-	-	-	10,193,465	10,193,465	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	3,588,090	3,588,090	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	2,168,477	2,168,477	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	-	247,051	247,051	-	-	-	-
		-	-	-	-	16,197,083	16,197,083	-	-	-	-

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

28.1 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

		31 December 2018 (Audited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand									
<u>Financial assets - measured at fair value</u>											
<i>Investment</i>											
Equity securities- quoted	10	16,457,477	-	-	-	-	16,457,477	16,457,477	-	-	16,457,477
Equity securities- unquoted	10	2,922,505	-	-	-	-	2,922,505	-	-	2,922,505	2,922,505
Debt securities	11	-	378,029	-	-	-	378,029	-	378,029	-	378,029
Investments of Window Takaful Operations - Operator's Fund	17	29,930	-	-	-	-	29,930	-	-	-	-
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *	13	-	-	275,875	-	-	275,875	-	-	-	-
Investment - Term deposits*	12	-	4,356,113	-	-	-	4,356,113	-	-	-	-
Insurance / reinsurance receivables - unsecured and considered good *	14	-	-	7,033,977	-	-	7,033,977	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	6,046,905	-	-	6,046,905	-	-	-	-
Salvage recoveries accrued *		-	-	350,340	-	-	350,340	-	-	-	-
Prepayments *	15	-	-	3,048,306	-	-	3,048,306	-	-	-	-
Cash and bank *	16	-	-	-	2,211,444	-	2,211,444	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund *	17	-	-	250,569	101,695	-	352,264	-	-	-	-
		19,409,912	4,734,142	17,005,972	2,313,139	-	43,463,165	16,457,477	378,029	2,922,505	19,758,011
<u>Financial liabilities - not measured at fair value</u>											
<i>Underwriting provisions:</i>											
Outstanding claims (including IBNR)*	22	-	-	-	-	10,461,975	10,461,975	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	2,709,714	2,709,714	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	2,227,040	2,227,040	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	-	229,819	229,819	-	-	-	-
		-	-	-	-	15,628,548	15,628,548	-	-	-	-

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

29 Date of authorization for issue

This unconsolidated condensed interim financial information was authorized for issue on 29 April 2019 by the Board of Directors of the Company.

30 Non-adjusting events after balance sheet date

The Board of Directors of the Company in their meeting held on 03 April 2019 proposed final cash dividend for the year ended 31 December 2018 @ 15% i.e. Rs. 1.5/- per share which has been approved by the members in the Annual General Meeting held on 29 April 2019. This unconsolidated condensed interim financial information for the quarter ended 31 March 2019 does not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial information for the half year ending 30 June 2019.

31 General

31.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

31.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.



Chairman



Director



Director



**Chief Financial
Officer**



**Managing Director & Chief
Executive Officer**

CONSOLIDATED

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2019
(Unaudited)



Directors' Review to the Members on Consolidated Condensed Interim Financial Information

For the Quarter Ended 31 March 2019

On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the quarter ended 31 March 2019.

The following appropriation of profit has been recommended by the Board of Directors:

	31 March 2019	31 March 2018
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	891,748	1,060,520
Taxation	(230,231)	(287,614)
Profit after tax	661,517	772,906
Less: Profit attributable to non-controlling interest	(18,820)	(28,166)
Profit attributable to ordinary shares	642,697	744,740
Unappropriated profit brought forward	12,521,272	11,955,927
Profit available for appropriation	13,163,969	12,700,667

	31 March 2019	31 March 2018
	Rupees	
	(Unaudited)	(Unaudited)
Earnings per share - Basic and diluted	1.84	2.13

For and on behalf of Board of Directors

Lahore: 29 April, 2019



Muhammad Umar Virk
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Financial Position
As at 31 March 2019

	Note	31 March 2019	31 December 2018
		Rupees in thousand	
		(Unaudited)	(Audited)
Assets			
Property and equipment	7	3,866,393	3,673,804
Intangible assets	8	149,438	160,602
Investment property		876,394	855,394
<i>Investments</i>			
Equity securities	9	33,808,332	32,359,408
Debt securities	10	5,492,554	4,416,804
Term deposits	11	17,992,108	15,426,113
Loan secured against life insurance policies		35,012	34,556
Loans and other receivables	12	1,181,728	552,070
Insurance / reinsurance receivables	13	7,770,123	7,162,077
Reinsurance recoveries against outstanding claims		5,817,959	6,046,905
Salvage recoveries accrued		360,356	350,340
Deferred commission expense / acquisition cost		799,779	788,431
Taxation - payment less provisions		15,396	172,124
Prepayments	14	3,608,959	3,116,455
Cash and bank	15	2,577,538	5,523,097
		84,352,069	80,638,180
Total assets of Window Takaful Operations - Operator's Fund (Holding Company)	16	418,881	382,194
Total Assets		84,770,950	81,020,374
Equity And Liabilities			
<i>Capital and reserves attributable to Company's equity holders</i>			
Ordinary share capital		3,500,000	3,500,000
Reserves	17	3,929,068	3,781,282
Unappropriated Profit		13,163,969	12,521,272
<i>Equity attributable to equity holders of the parent</i>		20,593,037	19,802,554
Non-controlling interest		308,105	288,797
Total Equity		20,901,142	20,091,351
Liabilities			
Insurance liabilities		32,612,752	31,730,169
<i>Underwriting provisions:</i>			
Outstanding claims including IBNR		10,193,465	10,461,975
Unearned premium reserve		10,802,642	10,100,901
Unearned reinsurance commission		195,759	221,371
Retirement benefits obligations		211,496	184,560
Deferred taxation		984,106	985,157
Premium received in advance		739,493	801,168
Insurance / reinsurance payables		3,588,090	2,709,714
Other creditors and accruals	18	3,608,321	2,812,103
Deposits and other payables		686,633	692,086
		31,010,005	28,969,035
Total liabilities of Window Takaful Operations - Operator's Fund (Holding Company)	16	247,051	229,819
Total Equity and Liabilities		84,770,950	81,020,374
Contingencies and commitments	19		

The annexed notes 1 to 30 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial
Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Profit and Loss Account (Un-audited)
For the Quarter Ended 31 March 2019

	Note	Quarter Ended	
		31 March	31 March
		2019	2018
		Rupees in thousand	
			<i>Restated</i>
Net insurance premium	20	6,262,683	5,631,136
Net insurance claims	21	(4,045,231)	(3,259,888)
Net commission and other acquisition costs	22	(947,208)	(648,999)
Insurance claims and acquisition expenses		(4,992,439)	(3,908,887)
Management expenses		(1,071,994)	(907,580)
Net change in insurance liabilities (other than outstanding claims)		(997,129)	(2,213,644)
Underwriting results		(798,879)	(1,398,975)
Investment income	23	1,402,980	1,469,777
Net fair value loss on financial assets at fair value through profit or loss		191,716	926,631
Net unrealized gains on investment property		21,000	47,019
Rental income		1,578	2,515
Other income		87,897	38,843
Other expenses		(40,978)	(45,100)
Results of operating activities		865,314	1,040,710
Profit from 'Window Takaful Operations	16	26,434	19,810
Profit before tax		891,748	1,060,520
Income tax expense		(230,231)	(287,614)
Profit after tax		661,517	772,906
Profit attributable to:			
Equity holders of the parent		642,697	744,740
Non-controlling interest		18,820	28,166
		661,517	772,906
		Rupees	
			<i>Restated</i>
Earnings (after tax) per share	24	1.84	2.13

The annexed notes 1 to 30 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2019

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
		<i>Restated</i>
Profit after tax	661,517	772,906
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to profit and loss:</i>		
Unrealized appreciation on 'available for sale' - net of tax	139,514	784,195
Unrealized appreciation on 'available for sale' of window takaful operations - net of tax	423	540
Effect of currency translation of investment in foreign branches - net	8,337	22,393
Total comprehensive income for the period	809,791	1,580,034
Total comprehensive income attributable to:		
Equity holders of the parent	790,483	1,548,168
Non-controlling interest	19,308	31,866
	809,791	1,580,034

The annexed notes 1 to 30 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Consolidated Condensed Interim Cash Flow Statement (Un-audited)

For the Quarter Ended 31 March 2019

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
<u>Cash flows from operating activities</u>		
<u>Underwriting activities</u>		
Insurance premium received	8,254,883	7,410,426
Reinsurance premiums paid	(1,372,817)	(1,085,806)
Claims paid	(5,711,840)	(4,030,138)
Surrenders paid	(14,666)	(14,790)
Reinsurance and other recoveries received	1,258,676	882,803
Commissions paid	(1,108,779)	(821,498)
Commissions received	89,055	90,331
Other underwriting payments	(2,587,077)	(318,609)
Net cash flow from underwriting activities	(1,192,565)	2,112,719
<u>Other operating activities</u>		
Income tax paid	209,873	(46,090)
Other operating payments	(124,468)	(53,720)
Loans advanced	(15,815)	(16,996)
Loans repayments received	13,123	14,111
Other operating receipts	78,730	6,868
Net cash flow from other operating activities	161,443	(95,827)
Total cash flow from all operating activities	(1,031,122)	2,016,892
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	551,818	358,229
Return on Pakistan investment bonds	-	-
Income received from TFCs	-	-
Income from treasury bills	7,581	11,116
Dividends received	56,515	149,033
Rentals received	776	768
Payments for investments	(68,079,820)	(23,248,961)
Loan to policy holder	-	-
Proceeds from disposal of investments	65,780,974	20,719,656
Fixed capital expenditure - tangible assets	(239,196)	(103,088)
Fixed capital expenditure - intangible assets	-	(185)
Proceeds from disposal of property and equipment	9,196	2,460
Total cash flow from investing activities	(1,912,156)	(2,110,972)
<u>Cash flows from financing activities</u>		
Dividends paid	(2,281)	(637)
Total cash flow from financing activities	(2,281)	(637)
Net cash outflow from all activities	(2,945,559)	(94,717)
Cash and cash equivalents at beginning of period - Restated	5,523,097	3,630,249
Cash and cash equivalents at end of period	2,577,538	3,535,532

Quarter Ended	
31 March 2019	31 March 2018
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	(1,031,121)	2,016,892
Depreciation expense	(52,885)	(38,635)
Provision for gratuity	(11,564)	(11,160)
Other income - bank and term deposits	45,824	26,391
Gain on disposal of property and equipment	4,192	1,011
Provision for doubtful balances against other insurers / reinsurers	-	-
VAT receivable written-off by Company's UAE branch	-	-
Rental income	1,578	2,515
Increase / (decrease) in assets other than cash	2,539,539	(1,787,114)
Increase in liabilities other than running finance	(1,608,024)	(918,626)
Increase in tax liabilities	(230,142)	(287,515)
Profit on sale of investments	460	104,215
Amortization of intangibles	(5,495)	(3,956)
(Increase) / decrease in unearned premium	(701,741)	776,215
Increase / (decrease) in loans	3,015	(1,688)
Income taxes paid	36,489	23,979
Reversal of impairment in value of 'available-for-sale' investments	14,700	37,012
Capital contribution from shareholder's fund	-	1,500
Dividend and other income	1,619,968	803,882
Income from treasury bills	10,290	6,827
Return on Pakistan investment bonds	-	-
Income from TFCs	-	1,351
Profit for the year from Window Takaful Operations	26,434	19,810
Profit after tax	661,517	772,906

Cash for the purposes of the cash flows statement consists of:

Cash and other equivalents	29,472	18,214
Current and other accounts	2,548,066	5,813,075
Total cash and cash equivalents	2,577,538	5,831,289

The annexed notes 1 to 30 form an integral part of these consolidated financial statements.



Chairman



Director



Director



Chief Financial Officer




Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the Quarter Ended 31 March 2019

	Share capital	Capital reserves				Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve	Retained earnings			
	Rupees in thousand									
Balance as at 31 December 2017 - (Audited)	3,500,000	22,859	3,764	467,100	3,573,724	936,500	11,955,927	20,459,874	273,635	20,733,509
Profit for the period 01 January 2018 to 31 March 2018	-	-	-	-	-	-	744,740	744,740	28,166	772,906
Other comprehensive income for the period 01 January 2018 to 31 March 2018	-	-	-	22,393	781,035	-	-	803,428	3,700	807,128
Total comprehensive income for the period	-	-	-	22,393	781,035	-	744,740	1,548,168	31,866	1,580,034
Balance as at 31 March 2018 - (Unaudited) - Restated	3,500,000	22,859	3,764	489,493	4,354,759	936,500	12,700,667	22,008,042	305,501	22,313,543
Profit for the period 01 April 2018 to 31 December 2018	-	-	-	-	-	-	535,922	535,922	(13,740)	522,182
Other comprehensive income for the period 01 April 2018 to 31 December 2018	-	-	-	124,569	(2,150,662)	-	(15,317)	(2,041,410)	(2,964)	(2,044,374)
Total comprehensive income for the period	-	-	-	124,569	(2,150,662)	-	520,605	(1,505,488)	(16,704)	(1,522,192)
Transactions with owners of the Company										
Final dividend for the year ended 31 December 2017 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)	-	(350,000)
Interim dividend for the year ended 30 June 2018 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)	-	(350,000)
	-	-	-	-	-	-	(700,000)	(700,000)	-	(700,000)
Balance as at 31 December 2018 - (Audited)	3,500,000	22,859	3,764	614,062	2,204,097	936,500	12,521,272	19,802,554	288,797	20,091,351
Profit for the period 01 January 2019 to 31 March 2019	-	-	-	-	-	-	642,697	642,697	18,820	661,517
Other comprehensive income for the period 01 January 2019 to 31 March 2019	-	-	-	8,337	139,449	-	-	147,786	488	148,274
Total comprehensive income for the period	-	-	-	8,337	139,449	-	642,697	790,483	19,308	809,791
Balance as at 31 March 2019 - (Unaudited)	3,500,000	22,859	3,764	622,399	2,343,546	936,500	13,163,969	20,593,037	308,105	20,901,142

The annexed notes 1 to 30 form an integral part of these consolidated financial statements.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Notes to the Consolidated Condensed Interim Financial Information (Un-audited)

For the Quarter Ended 31 March 2019

1 The group and its operations:

1.1 The group comprises of:

	2019 (Holding percentage)	2018
Holding Company		
Adamjee Insurance Company Limited	100%	100%
Subsidiary Company		
Adamjee Life Assurance Company Limited	74.28%	74.28%

Adamjee Insurance Company Limited (Holding Company)

Adamjee Insurance Company Limited is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Holding Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business. The registered office of the Holding Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Holding Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Holding Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

Adamjee Life Assurance Company Limited (Subsidiary Company)

Adamjee Life Assurance Company Limited was incorporated in Pakistan on 4 August 2008 as a public unlisted company under the Companies Act, 2017. The Subsidiary Company started its operations from 24 April 2009. Registered office of the Subsidiary Company is at 1st floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at 3rd Floor, The Forum, Khayaban-e-Jami, Clifton, Karachi. Adamjee Life Assurance Company Limited is a subsidiary of Adamjee Insurance Company Limited and an associate of IVM Intersurer B.V, each having a holding of 74.28% and 25.72% (2017: 74.28% and 25.72%) respectively in the share capital of the Subsidiary Company. IVM Intersurer B.V. has nominated Hollard Life Assurance Company Limited ("HLA"), an associate company of IVM Intersurer B.V. to act on its behalf in respect of matters relating to the Subsidiary Company. HLA is South Africa's largest private sector insurance company.

The Subsidiary Company is engaged in life assurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Subsidiary Company has established a shareholders' fund and the following statutory funds in respect of each class of its life assurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitised Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business

The Subsidiary Company was granted authorization on 4 May 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by the Securities and Exchange Commission of Pakistan (SECP) and subsequently the Subsidiary Company commenced Window Takaful Operations from 14 July 2016. The Subsidiary Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF)) on 22 December 2015 under a Waqf deed executed by the Subsidiary Company with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilized only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Subsidiary Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Subsidiary Company.

IVM Intersurer B.V is in the process of selling its holding in the Subsidiary company to Holding Company after relevant legal formalities.

2 Basis of preparation and statement of compliance

This consolidated condensed interim financial information of the Group for the quarter ended 31 March 2019 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017 and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Holding Company have been presented as a single line item in the statement of financial position and profit and loss account of the Holding Company respectively. A separate set of statement of financial position of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2018. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2018, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the quarter ended 31 March 2018.

This consolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This consolidated condensed interim financial information is presented in Pakistan Rupees which is the Group's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This consolidated condensed interim financial information have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2018.

The Group has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2019, as mentioned in the financial statement for the year ended 31 December 2018.

There is no significant impact of such changes on this condensed interim financial information of the Group.

5 Use of estimates and judgments

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2018.

6 Insurance and Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2018.

		(Unaudited) 31 March 2019	(Audited) 31 December 2018
	Note	Rupees in thousand	
7 Property and equipment			
Opening balance - net book value		2,481,588	2,273,084
Additions during the period	7.1	24,765	348,751
Book value of disposals during the period	7.2	(5,004)	(18,654)
Depreciation charged during the period / year		(46,904)	(173,636)
Exchange difference		5,302	52,043
		(46,606)	(140,247)
		2,459,747	2,481,588
Capital work in progress	7.3	1,406,646	1,192,216
		3,866,393	3,673,804
7.1 Additions during the period:			
Buildings		-	170,852
Furniture and fixtures		379	38,889
Motor vehicles		21,941	70,594
Machinery and equipment		875	6,171
Computer and related accessories		1,375	59,474
Leasehold Improvements		195	2,771
		24,765	348,751
7.2 Written down values of property and equipment disposed off during the period / year			
Furniture and fixtures		-	39
Motor vehicles		4,931	18,060
Machinery and equipment		73	371
Computer and related accessories		-	184
		5,004	18,654
7.3 Capital work in progress			

Capital work in progress as of 31 March 2019 includes advances to contractors and suppliers amounting to Rs. 75,630 thousands (31 December 2018: Rs. 82,426 thousands).

		(Unaudited) 31 March 2019	(Audited) 31 December 2018
		Rupees in thousand	
8 Intangible assets			
Opening balance - net book value		160,602	97,760
Additions during the period		-	95,327
Book value of disposals during the period		-	-
Amortization charged during the period		(11,736)	(41,126)
Exchange difference		572	8,641
		(11,164)	(32,485)
		149,438	160,602

9 Investment in equity securities

	31 March 2019 (Unaudited)			31 December 2018 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	Rupees in thousands					
Available-for-sale						
Related parties						
Listed shares	8,439,748	(181,837)	8,257,911	8,423,580	(164,863)	8,258,717
Unlisted shares	400,726	-	400,726	300,726	-	300,726
	8,840,474	(181,837)	8,658,637	8,724,306	(164,863)	8,559,443
Unrealized gain			1,453,028			1,294,754
			10,111,665			9,854,197
Others						
Listed shares	7,285,934	(1,513,853)	5,772,081	7,268,843	(1,545,527)	5,723,316
Unlisted shared	925,360	-	925,360	925,360	-	925,360
Mutual Funds	978,358	-	978,358	389,312	-	389,312
NIT Units	161	-	161	161	-	161
	9,189,813	(1,513,853)	7,675,960	8,583,676	(1,545,527)	7,038,149
Unrealized gain			1,806,128			1,813,201
			9,482,088			8,851,350
Total - available for sale	18,030,287	(1,695,690)	19,593,753	17,307,982	(1,710,390)	18,705,547
Fair value through profit and loss						
Related parties						
Listed shares	1,422,293	-	1,422,293	1,250,208	-	1,250,208
Mutual Funds	3,996,065	-	3,996,065	3,651,823	-	3,651,823
	5,418,358	-	5,418,358	4,902,031	-	4,902,031
Unrealized gain / (loss)			26,406			(374,786)
			5,444,764			4,527,245
<u>Others</u>						
Listed shares	10,308,705	-	10,308,705	10,864,063	-	10,864,063
Mutual Funds	670,044	-	670,044	286,805	-	286,805
	10,978,749	-	10,978,749	11,150,868	-	11,150,868
Unrealized loss			(2,208,934)			(2,024,252)
			8,769,815			9,126,616
Total - fair value through profit and loss	16,397,107	-	14,214,579	16,052,899	-	13,653,861
	34,427,394	(1,695,690)	33,808,332	33,360,881	(1,710,390)	32,359,408

		(Unaudited)	(Audited)
		31 March	31 December
		2019	2018
Note		Rupees in thousand	
10	Investments in debt securities		
	<u>Held to maturity</u>		
	Treasury Bills	379,473	378,029
		379,473	378,029
	<u>Available for sale</u>		
	Treasury Bills	148,359	189,911
	Pakistan Investment Bonds	244,581	244,884
		392,940	434,795
	Deficit on revaluation	(5,163)	(7,535)
		387,777	427,260
	<u>Fair value through profit and loss</u>		
	Term Finance Certificate	1,431,016	1,441,778
	Advance against purchase of term finance certificate	622,000	350,000
	Corporate sukuks	1,022,694	1,032,170
	Ijarah sukuks	-	32,053
	Treasury Bills	1,601,308	411,254
	Pakistan Investment Bonds	50,468	352,204
		4,727,486	3,619,459
	Deficit on revaluation	(2,182)	(7,944)
		4,725,304	3,611,515
		5,492,554	4,416,804
		(Unaudited)	(Audited)
		31 March	31 December
		2019	2018
	Note	Rupees in thousand	
11	Investments in Term Deposits		
	<u>Held to maturity</u>		
	<u>Deposits maturing within 12 months</u>		
	<u>Inside Pakistan</u>		
	- related parties	111,703	366,811
	- others	12,740,066	10,735,066
		12,851,769	11,101,877
	<u>Outside Pakistan</u>		
	- related parties	1,113,397	871,396
	- others	3,982,763	3,411,149
		5,096,160	4,282,545
	<u>Deposits maturing after 12 months</u>	17,947,929	15,384,422
	<u>Inside Pakistan</u>		
	- related parties	3,107	2,000
	- others	41,072	39,691
		44,179	41,691
	<u>Outside Pakistan</u>		
	- related parties	-	-
	- others	-	-
		-	-
		44,179	41,691
	11.1	17,992,108	15,426,113

11.1 These include fixed deposits amounting to Rs. 4,407,593 thousands (AED 115,000 thousands) [2018: Rs. 3,780,460 thousands (AED 100,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches of the Holding Company for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 74,948 thousands (2018: Rs. 73,568 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Holding Company for claims under litigation filed against the Holding Company.

	(Unaudited) 31 March 2019	(Audited) 31 December 2018
Note	Rupees in thousand	

12 Loans and other receivables - considered good

Rent receivable	5,037	4,968
Receivable from related parties	5	2,500
Accrued investment income	674,236	205,130
Security deposits	79,887	79,222
Advances to employees and suppliers	250,870	70,835
Agent commission receivable	22,227	24,085
Loans to employees	56,554	55,724
Receivable against the sale of investment	27,725	98,754
Other receivables	65,187	10,852
	1,181,728	552,070

13 Insurance / reinsurance receivables - unsecured and considered good

Due from insurance contract holders	13.1	7,428,933	6,854,237
Provision for impairment of receivables from insurance contract holders		(635,068)	(629,668)
		6,793,865	6,224,569
Due from other insurers / reinsurers		1,177,560	1,138,810
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		976,258	937,508
		7,770,123	7,162,077

13.1 Due from insurance contract holders include an amount Rs. 80,233 thousands (2018: Rs. 349,886 thousands) held with related parties.

	(Unaudited) 31 March 2019	(Audited) 31 December 2018
Note	Rupees in thousand	

14 Prepayments

Prepaid reinsurance premium ceded	3,254,355	2,866,980
Prepaid rent	47,428	56,540
Prepaid miscellaneous expenses	307,176	192,935
	3,608,959	3,116,455

15 Cash and bank

Cash and cash equivalents

Inside Pakistan

Cash in hand	968	693
Policy and revenue stamps, bond papers	27,913	15,713
	28,881	16,406
<i>Outside Pakistan</i>	591	-
	29,472	16,406

Cash at bank

Inside Pakistan

Current accounts	205,704	929,837
Savings accounts	1,790,103	3,518,450
	1,995,807	4,448,287

Outside Pakistan

Current accounts	547,249	1,053,464
Savings accounts	5,010	4,940
	552,259	1,058,404
	2,548,066	5,506,691
	2,577,538	5,523,097

15.1 Cash at bank includes an amount of Rs. 1,160,381 thousands (31 December 2018: Rs. 2,203,566 thousands) held with MCB Bank Limited, a related party of the Group.

	(Unaudited)	(Audited)
	31 March	31 December
	2019	2018
	Rupees in thousand	

Note

16 Window Takaful Operations - Holding Company

Operator's Fund

Assets:

Cash and bank deposits	134,152	101,695
Qard e Hasna to Participant Takaful Fund	146,460	146,804
Investments	30,517	29,930
Intangible assets	20,901	20,633
Property and equipment	14,975	16,185
Current assets - Others	71,876	66,947
Total Assets	418,881	382,194

Total Liabilities

247,051	229,819
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16.1 Window Takaful Operations

Profit and loss account

Wakala Fee	73,917	52,862
Commission expense	(22,495)	(13,056)
Management expense	(30,235)	(21,051)
Investment income	-	166
Other Income	5,247	889
Profit before tax	26,434	19,810
Taxation	(7,402)	(6,453)
Profit after tax	19,032	13,357

Details of total assets, total liabilities and segment disclosure of window takaful operations of the Holding Company are stated in the annexed condensed interim financial information for the quarter ended 31 March 2019.

	(Unaudited)	(Audited)
	31 March	31 December
	2019	2018
	Rupees in thousand	

17 Reserves

Capital reserves

Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	622,399	614,062
Fair value reserve	2,343,546	2,204,097
	2,992,568	2,844,782

Revenue reserves

General reserves	936,500	936,500
	3,929,068	3,781,282

18 Other creditors and accruals

Agents commission payable	937,042	1,066,503
Payable against the purchase of investment	1,042,596	138,863
Federal excise duty / sales tax	164,894	200,803
Federal Insurance Fee	48,009	37,729
Workers' welfare fund	448,951	432,246
Tax deducted at source	91,592	66,492
Accrued expenses	309,093	283,375
Unpaid and unclaimed dividend	119,069	121,350
Payable to employees' provident fund	2,466	2,449
Payable to related parties	7,983	6,833
Sundry creditors	436,626	455,460
	3,608,321	2,812,103

19 Contingencies and commitments

Contingencies

Holding Company

There has been no significant change in the status of contingencies as reported in the preceding published consolidated annual financial statements of the Holding Company for the year ended 31 December 2018.

(Unaudited)	(Audited)
31 March	31 December
2019	2018
Rupees in thousand	

Subsidiary Company

Claims against the Subsidiary Company not acknowledged as debt

30,957	26,014
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Number of cases

46	43
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This represents various cases initiated against the Subsidiary company concerning policyholder claims referred to Court, Federal Insurance Mohtasib and Small Dispute Resolution Committee rejected by the company on different grounds. However, the management believes that no significant liability is likely to occur in these cases.

For tax years 2011, 2012 and 2013, tax authorities have issued orders under section 221 of Income Tax Ordinance, 2001 (the Ordinance) raising tax demand of Rs. 2.63 million, Rs. 3.04 million and Rs. 2.19 million respectively for these years primarily on the ground of charging WWF under sections 4(4) of the WWF Ordinance, 1971 and full tax credits of tax paid / deducted not allowed due to non verification of tax challans. The Subsidiary Company has filed an appeal against these orders with the Commissioner Inland Revenue - Appeals (CIR(A)). However, CIR(A) has maintained the levy and disposed off the Subsidiary Company's appeal. Now the Subsidiary Company has further filed an appeal against CIR (A) orders which is pending before the Appellate Tribunal Inland Revenue (ATIR). However, based on consultations with the tax advisor, the management considers that the Subsidiary Company has enough grounds for success in appeal before the appellate authorities and the management is confident that the outcome of the appeals would be in their favour. Hence, no provision has been made in these financial statements against the aforesaid tax demand.

Commitments

Holding Company

The Holding Company has issued letter of guarantees amounting to AED 426,000 amounting to Rs. 16,327 thousands (2018: AED 501,000 amounting to Rs. 18,940 thousands) relating to UAE branch.

Subsidiary Company

Commitments in respect of ljarah rentals payable in future period as at 31 March 2019 amounted to Rs. 42.03 million (31 Dec 2018: Rs. 40.61 million) for vehicles.

(Unaudited)	(Audited)
31 March	31 December
2019	2018
Rupees in thousand	
12,546	12,071
29,488	28,542
42,034	40,612

Not later than one year

Later than one year and not later than five years

20 Net Insurance Premium

Holding Company

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
Written gross premium	6,256,266	3,694,166
Unearned premium reserve opening	10,100,901	8,912,498
Unearned premium reserve closing	(10,802,642)	(8,136,283)
Currency translation effect	64,942	149,516
Premium earned	5,619,467	4,619,897
Reinsurance premium ceded	(2,251,193)	(877,919)
Prepaid reinsurance premium opening	(2,866,980)	(2,349,147)
Prepaid reinsurance premium closing	3,254,355	1,759,176
Currency translation effect	(452)	(4,812)
Reinsurance expense	(1,864,270)	(1,472,702)
Net insurance premium - Holding Company	3,755,197	3,147,195

Note

Subsidiary Company

Regular premium / contributions

individual policies

- first year	20.3	731,736	555,255
- second year renewal		478,347	472,261
- subsequent years renewal		987,117	703,652
Single premium / contributions			
individual policies	20.3	309,390	726,397
Group policies without cash values		141,366	159,880
Total gross premiums / contributions		2,647,956	2,617,445

Less: reinsurance premiums / retakaful contributions ceded

On individual life first year business	(8,473)	(11,837)
On individual life second year business	(16,275)	(11,377)
On individual life subsequent renewal business	(29,668)	(19,930)
On single premium individual policies	-	-
On group policies	(86,054)	(90,360)
	(140,470)	(133,504)

Net premiums / contributions - Subsidiary Company

2,507,486	2,483,941
6,262,683	5,631,136

20.1 Net insurance premium - Business underwritten inside Pakistan

Written gross premium	4,119,815	2,506,526
Unearned premium reserve opening	5,508,453	5,186,518
Unearned premium reserve closing	(6,030,336)	(4,740,133)
Premium earned	3,597,932	2,952,911
Reinsurance premium ceded	(2,186,697)	(820,460)
Prepaid reinsurance premium opening	(2,838,973)	(2,079,920)
Prepaid reinsurance premium closing	3,220,928	1,705,069
Reinsurance expense	(1,804,742)	(1,195,311)
	1,793,190	1,757,600

20.2 Net insurance premium - Business underwritten outside Pakistan

Written gross premium	2,136,451	1,187,640
Unearned premium reserve opening	4,592,448	3,725,980
Unearned premium reserve closing	(4,772,306)	(3,396,150)
Currency translation effect	64,942	149,516
Premium earned	2,021,535	1,666,986
Reinsurance premium ceded	(64,496)	(57,459)
Prepaid reinsurance premium opening	(28,007)	(269,227)
Prepaid reinsurance premium closing	33,427	54,107
Currency translation effect	(452)	(4,812)
Reinsurance expense	(59,528)	(277,391)
	1,962,007	1,389,595

20.3 Individual policies are those underwritten on an individual basis.

		Quarter Ended	
		31 March 2019	31 March 2018
		Rupees in thousand	
21	Net insurance claims expense		
	<u>Holding Company</u>		<i>Restated</i>
	Claims paid	3,718,221	2,807,430
	Outstanding claims including IBNR closing	10,193,465	11,426,866
	Outstanding claims including IBNR opening	(10,461,975)	(11,485,744)
	Currency translation effect	(72,992)	(201,209)
	Claims expense	3,376,719	2,547,343
	Reinsurance and other recoveries received	(1,356,971)	(988,846)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(6,178,315)	(7,917,116)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,397,245	8,056,450
	Reinsurance and other recoveries revenue	39,113	113,346
	Reinsurance and other recoveries revenue	(1,098,928)	(736,166)
	Net insurance claims expense	2,277,791	1,811,177
	<u>Subsidiary Company</u>		
	Gross claims		
	<i>Claims under individual policies</i>		
	- by death	73,424	106,618
	- by insured event other than death	7,075	-
	- by maturity	332,561	266,854
	- by surrender	1,283,251	1,036,667
	Total gross individual policy claims	1,696,311	1,410,139
	<i>Claims under group policies</i>		
	- by death	156,594	137,543
	- by insured event other than death	(16,171)	7,469
	- experience refund	9,665	4,291
	Total gross group policy claims	150,088	149,303
	Claim investigation fees	1,966	3,129
	Total gross claims	1,848,365	1,562,571
	<i>Less: Reinsurance recoveries</i>		
	- on individual claims	(15,964)	35,259
	- on group claims	96,889	78,601
		80,925	113,860
	Net claims - Subsidiary Company	1,767,440	1,448,711
		4,045,231	3,259,888
21.1	Net insurance claims expense - Business underwritten inside Pakistan		
	Claim Paid	2,030,503	1,430,972
	Outstanding claims including IBNR closing	4,823,914	6,630,290
	Outstanding claims including IBNR opening	(5,386,215)	(7,084,282)
	Claim expense	1,468,202	976,980
	Reinsurance and other recoveries received	(1,008,594)	(510,256)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,295,122)	(5,205,590)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	3,769,658	5,602,812
	Reinsurance and other recoveries revenue	(534,058)	(113,034)
		934,144	863,946
21.2	Net insurance claims expense - Business underwritten outside Pakistan		
	Claim Paid	1,687,718	1,376,458
	Outstanding claims including IBNR closing	5,369,551	4,796,576
	Outstanding claims including IBNR opening	(5,075,760)	(4,401,462)
	Currency translation effect	(72,992)	(201,209)
	Claim expense	1,908,517	1,570,363
	Reinsurance and other recoveries received	(348,377)	(478,590)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(2,883,193)	(2,711,526)
	Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,627,587	2,453,638
	Currency translation effect	39,113	113,346
	Reinsurance and other recoveries revenue	(564,870)	(623,132)
		1,343,647	947,231

		Quarter Ended	
		31 March 2019	31 March 2018
		Rupees in thousand	
22	Net commission expense / acquisition costs	<i>Restated</i>	
	<u>Holding Company</u>		
	Commission paid or payable	488,365	279,397
	Deferred commission expense opening	788,431	733,631
	Deferred commission expense closing	(799,779)	(614,722)
	Currency translation effect	7,261	15,987
	Net commission	484,278	414,293
	Commission received or recoverable	(89,055)	(90,331)
	Unearned reinsurance commission opening	(221,371)	(240,306)
	Unearned reinsurance commission closing	195,759	195,862
	Currency translation effect	(58)	(371)
	Commission from reinsurance	(114,725)	(135,146)
	Net commission expense / acquisition costs - Holding Company	369,553	279,147
	<u>Subsidiary Company</u>		
	Remuneration to insurance / takaful intermediaries on individual policies:		
	- Commission on first year contribution / premium	340,154	251,447
	- Commission on second year contribution / premium	26,738	24,598
	- Commission on subsequent years renewal contribution / premium	24,450	16,320
	- Commission on single contribution / premium	6,477	16,560
	- Other benefits to insurance intermediaries	78,691	(580)
		476,510	308,345
	Remuneration to insurance intermediaries on group policies:		
	- Commission	10,198	6,684
	- Other benefits to insurance intermediaries	1,458	-
		11,656	6,684
	Other acquisition costs	89,489	54,823
		577,655	369,852
		947,208	648,999
22.1	Net commission and other acquisition costs - Business underwritten inside Pakistan		
	Commission paid or payable	194,033	153,513
	Deferred commission expense opening	297,403	326,325
	Deferred commission expense closing	(264,800)	(254,852)
	Net commission	226,636	224,986
	Commission received or recoverable	(85,644)	(88,185)
	Unearned reinsurance commission opening	(218,690)	(227,726)
	Unearned reinsurance commission closing	191,511	188,720
	Commission from reinsurance	(112,823)	(127,191)
		113,813	97,795
22.2	Net commission and other acquisition costs - Business underwritten outside Pakistan		
	Commission paid or payable	294,332	125,884
	Deferred commission expense opening	491,028	407,306
	Deferred commission expense closing	(534,979)	(359,870)
	Currency translation effect	7,261	15,987
	Net commission	257,642	189,307
	Commission received or recoverable	(3,411)	(2,146)
	Unearned reinsurance commission opening	(2,681)	(12,580)
	Unearned reinsurance commission closing	4,248	7,142
	Currency translation effect	(58)	(371)
	Commission from reinsurance	(1,902)	(7,955)
		255,740	181,352

Note

22.1 & 22.2

		Quarter Ended	
		31 March 2019	31 March 2018
		Rupees in thousand	
		Restated	
23	Investment income		
23.1	Business underwritten Inside Pakistan		
23.1.1	Income from equity securities		
	<i>Available for sale</i>		
	Dividend income	191,443	191,111
	- associated undertakings	226,873	182,719
	- others	418,316	373,830
	<i>Held for trading</i>		
	Listed equity shares	119,852	85,085
	Mutual Funds	119,852	85,085
		538,168	458,915
23.1.2	Income from debt securities		
	<i>Held to maturity</i>		
	Return on Term Finance Certificates	-	1,351
	Return on Pakistan Investment Bonds	10,290	6,827
	Profit on Treasury Bills	10,290	8,178
	<i>Fair value through profit & loss</i>		
	Return on government securities	140,465	135,475
	Return on other fixed income securities	82,096	31,155
		222,561	166,630
	<i>Available for sale</i>		
	Return on government securities	9,050	3,977
		241,901	178,785
23.1.3	Income from term deposits		
	<i>Held to maturity</i>	201,535	91,093
23.1.4	Net realized gains / (losses) on investments		
	<u><i>Available for sale</i></u>		
	<i>Realized gains on equity security</i>		
	- associated undertakings	-	-
	- others	460	107,401
		460	107,401
	<i>Government securities</i>	(24)	-
	<u><i>Held for trading</i></u>		
	<i>Realised gains/(losses) on:</i>		
	- Mutual Funds	3,824	12,072
	- Listed equities	358,258	574,402
	- Fixed income securities	-	(1,215)
	- Government securities	(964)	(511)
		361,118	584,748
		1,343,158	1,420,942
	Provision of impairment in 'available-for-sale' investments	14,700	37,012
		1,357,858	1,457,954
23.2	Business underwritten Outside Pakistan		
23.2.1	Income from equity securities		
	<u><i>Available for sale</i></u>		
	<i>Dividend income</i>		
	- associated undertakings	-	-
	- others	13,743	-
		13,743	-
23.2.2	Income from term deposits		
	- associated undertakings	4,063	-
	- others	27,316	11,823
		31,379	11,823
		45,122	11,823
	Total investment income	1,402,980	1,469,777

24 Earnings per share - basic and diluted

There is no dilutive effect on the basic earnings per share which is based on:

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
	<i>Restated</i>	
Profit after tax for the period attributable to ordinary shareholders	642,697	744,740
	Number of shares	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000
	Rupees	
Earnings per share - basic and diluted	1.84	2.13

25 Transactions with related parties

The Group has related party relationships with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than those specified in their terms of employment.

Investment in related parties have been disclosed in note 9 & 11 to the consolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

Holding Company

i) Transactions

	Quarter Ended	
	31 March 2019	31 March 2018
	Rupees in thousand	
Premiums underwritten	296,689	231,002
Premiums received	543,943	533,164
Claims paid	166,303	145,407
Commission Paid	34,847	13,262
Rent paid	965	1,309
Income on bank deposits	7,822	5,493
Investments made	100,000	143,093
Fee / service charges paid	1,289	2,088
Charge in respect of gratuity expense	8,410	5,312
Contribution to Employees' Provident Fund	8,398	7,638
Compensation paid to Key management personnel	356,215	312,831
	(Unaudited)	(Audited)
	31 March	31 December
	2019	2018
	Rupees in thousand	

ii) Period end balances

Balances receivable	74,518	349,502
Balances payable	372,418	761,866
Cash and bank balances including term deposits	1,284,297	1,282,197
Payable to Staff Gratuity Fund	141,537	133,127
Payable to Employees' Provident Fund	2,466	2,449

Subsidiary Company**i) Transactions****Associated undertakings**

Premium written	4,407	6,324
Claims expense	77,116	19,478
Commission and other incentives in respect of Bancassurance	331,816	214,780
Profit on bank deposits	26,795	12,401
Bank charges	1,607	548
Investments purchased	445,486	348,249
Investments sold	290,076	320,927
Dividend income	24,644	100
Reinsurance claim recoveries	1,271	-
Reinsurance premium ceded	4,395	-

Other related parties

Premium written	16,938	14,080
Claims expense	1,484	8,467
Commission and other incentives in respect of Bancassurance	22,816	-
Profit on bank deposits	5,795	-
Investment advisor fee	4,862	4,180
Trustee fee	2,553	2,445
Investments purchased	1,265,164	241,900
Investments sold	696,743	172,506
Dividend income	-	180

Salary and other short term benefits- key management personnel

Executives	71,178	81,920
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(Unaudited)	(Audited)
31 March	31 December
2019	2018
Rupees in thousand	

ii) Period end balances**Associated undertakings**

Premium due but unpaid	2,475	1,911
Premium received in advance	6,455	1,638
Bank deposits	998,291	1,801,576
Investments held	1,522,764	1,234,532
Dividend receivables	24,644	-
Accrued Income	24,948	61,049
Commission payable	193,093	282,856
Claims payable	6,079	7,157
Reinsurance Expense Payable	3,793	6,916

Other related parties

Premium due but unpaid	3,239	2,779
Premium received in advance	10,395	11,340
Bank Deposits	12,505	-
Investments held	4,372,680	3,653,798
Dividend receivable	-	-
Accrued Income	452	1,854
Commission Payable	6,559	11,354
Claims payable	25	41
Remuneration payable for the management of discretionary investment portfolio	1,802	1,719
Remuneration payable to Trustee	537	512
Other Receivables	2,446	2,500

Staff Retirement Benefit Plan (Gratuity Fund)

Charge for the period	5,443	8,327
Contributions made to Gratuity fund	-	-
(Payable to)/ Receivable from Gratuity fund	20,216	39,833

26 Segment Information

For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Quarter Ended 31 March 2019																	
General Insurance													Life Assurance			Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Shareholder's fund	Statutory fund	Aggregate Life Insurance		
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan						
Rupees in thousand																	
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,348,132	18,697	225,853	8,487	828,770	2,205,102	640,761	10,647	584,689	9,444	4,628,205	2,252,377	6,880,582	-	2,647,956	2,647,956	9,528,538
Less: Federal excise duty / VAT	(281,907)	(1,341)	(24,520)	(157)	(98,975)	(113,361)	(11,180)	(507)	(50,628)	(483)	(467,210)	(115,849)	(583,059)	-	-	-	(583,059)
Federal insurance fee	(20,233)	(61)	(1,998)	(12)	(7,318)	-	(6,291)	-	(5,340)	(4)	(41,180)	(77)	(41,257)	-	-	-	(41,257)
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	-	2,647,956	2,647,956	8,904,222
Gross written premium (inclusive of administrative surcharge)	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	-	2,647,956	2,647,956	8,904,222
Gross direct premium	2,039,024	17,194	194,085	8,291	698,612	2,091,741	623,104	10,140	525,544	8,929	4,080,369	2,136,295	6,216,664	-	2,647,956	2,647,956	8,864,620
Facultative inward premium	2,730	-	167	-	-	-	-	-	-	-	2,897	-	2,897	-	-	-	2,897
Administrative surcharge	4,238	101	5,083	27	23,865	-	186	-	3,177	28	36,549	156	36,705	-	-	-	36,705
	2,045,992	17,295	199,335	8,318	722,477	2,091,741	623,290	10,140	528,721	8,957	4,119,815	2,136,451	6,256,266	-	2,647,956	2,647,956	8,904,222
Insurance premium earned	1,797,686	11,578	209,298	8,373	709,339	1,983,416	430,167	14,363	451,442	3,805	3,597,932	2,021,535	5,619,467	-	2,647,956	2,647,956	8,267,423
Insurance premium ceded to reinsurers	(1,548,350)	(7,377)	(25,651)	-	(12,387)	(40,007)	-	(9,386)	(218,354)	(2,758)	(1,804,742)	(59,528)	(1,864,270)	-	(140,470)	(140,470)	(2,004,740)
Net insurance premium	249,336	4,201	183,647	8,373	696,952	1,943,409	430,167	4,977	233,088	1,047	1,793,190	1,962,007	3,755,197	-	2,507,486	2,507,486	6,262,683
Commission income	80,561	1,321	225	-	738	-	-	-	31,299	581	112,823	1,902	114,725	-	-	-	114,725
Net underwriting income	329,897	5,522	183,872	8,373	697,690	1,943,409	430,167	4,977	264,387	1,628	1,906,013	1,963,909	3,869,922	-	2,507,486	2,507,486	6,377,408
Insurance claims	(356,636)	(2,828)	(81,418)	-	(364,771)	(1,891,460)	(377,212)	(14,229)	(288,165)	-	(1,468,202)	(1,908,517)	(3,376,719)	-	(1,848,365)	(1,848,365)	(5,225,084)
Insurance claim recoveries from reinsurer	302,356	7,856	(423)	-	15,325	546,001	-	11,013	216,800	-	534,058	564,870	1,098,928	-	80,925	80,925	1,179,853
Net claims	(54,280)	5,028	(81,841)	-	(349,446)	(1,345,459)	(377,212)	(3,216)	(71,365)	-	(934,144)	(1,343,647)	(2,277,791)	-	(1,767,440)	(1,767,440)	(4,045,231)
Commission expense	(105,606)	(1,504)	(26,906)	(1,619)	(50,797)	(254,252)	(14,217)	(72)	(29,110)	(195)	(226,636)	(257,642)	(577,655)	-	(577,655)	(577,655)	(1,061,933)
Management expense	(115,308)	(441)	(68,853)	(2,393)	(245,739)	(269,673)	(35,254)	(3,216)	(70,968)	(334)	(536,122)	(276,057)	(812,179)	-	(259,815)	(259,815)	(1,071,994)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(275,194)	3,083	(177,600)	(4,012)	(645,982)	(1,869,384)	(426,683)	(6,504)	(171,443)	(529)	(1,696,902)	(1,877,346)	(3,574,248)	-	(2,604,910)	(2,604,910)	(6,179,158)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(997,129)	(997,129)	(997,129)
Underwriting result	54,703	8,605	6,272	4,361	51,708	74,025	3,484	(1,527)	92,944	1,099	209,111	86,563	295,674	-	(1,094,553)	(1,094,553)	(798,879)
Net investment income											443,774	45,122	488,896			914,084	1,402,980
Net fair value loss on financial assets at fair value through profit or loss											-	-	-			191,716	191,716
Net unrealised gains / (loss) on investment property											-	-	-			21,000	21,000
Rental income											845	-	845			733	1,578
Other income											27,039	10,342	37,381			50,516	87,897
Other expenses											(27,796)	(2,946)	(30,742)			(10,236)	(40,978)
Profit from Window Takaful Operations											26,434	-	26,434			-	26,434
Profit before tax											679,407	139,081	818,488			73,260	891,748
31 March 2019																	
General Insurance													Life Assurance			Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Shareholder's fund	Statutory fund	Aggregate Life Insurance		
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan						
Rupees in thousand																	
Segment Assets	7,437,992	91,876	429,779	11,581	1,158,840	5,629,988	821,114	54,786	2,264,199	19,494	12,111,924	5,807,725	17,919,649	34,806,419	853,147	35,659,566	53,579,215
Unallocated assets											24,870,484	6,321,251	31,191,735	-	-	-	31,191,735
											36,982,408	12,128,976	49,111,384	34,806,419	853,147	35,659,566	84,770,950
Segment Liabilities	7,335,552	96,417	537,954	22,567	2,583,283	10,142,598	1,706,244	57,568	2,689,651	18,752	14,852,684	10,337,902	25,190,586	34,084,919	350,803	34,435,722	59,626,308
Unallocated Liabilities											3,532,062	711,438	4,243,500	-	-	-	4,243,500
											18,384,746	11,049,340	29,434,086	34,084,919	350,803	34,435,722	63,869,808

Quarter Ended 31 March 2018 - Restated																
General Insurance												Life Assurance			Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Shareholder's fund	Statutory fund		Aggregate Life Insurance
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan					
Rupees in thousand																
924,297 (117,286) (8,009)	10,550 (588) (9)	252,155 (28,167) (2,217)	6,580 (252) (5)	818,486 (97,249) (7,148)	1,224,637 (59,886) -	461,307 (4,567) (5)	1,348 (64) (22,037)	339,800 (302) (264,739)	5,636 (302) (5)	2,796,045 (61,092) (19)	1,248,751 (325,831) (24,800)	4,044,796 (325,831) (24,800)	- - -	2,617,445 - -	2,617,445 - -	6,662,241 (325,831) (24,800)
799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166	-	2,617,445	2,617,445	6,311,611
799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166	-	2,617,445	2,617,445	6,311,611
795,796 (322)	9,927 -	216,453 65	6,285 -	691,175 -	1,097,691 -	456,543 -	1,284 -	281,115 30,999	5,319 -	2,441,082 30,742	1,120,506 -	3,561,588 30,742	- -	2,617,445 -	2,617,445 -	6,179,033 30,742
3,528	26	5,254	38	22,914	67,060	197	2,809	10	34,702	67,134	101,836	-	-	-	-	101,836
799,002	9,953	221,772	6,323	714,089	1,164,751	456,740	1,284	314,923	5,329	2,506,526	1,187,640	3,694,166	-	2,617,445	2,617,445	6,311,611
1,198,428 (970,428)	11,016 (6,727)	226,527 (32,942)	20,424 -	665,790 (9,776)	1,629,331 (266,308)	448,917 -	3,253 309	413,249 (182,165)	2,962 (4,665)	2,952,911 (1,195,311)	1,666,986 (277,391)	4,619,897 (1,472,702)	-	2,617,445 (133,504)	2,617,445 (133,504)	7,237,342 (1,606,206)
228,000	4,289	193,585	20,424	656,014	1,363,023	448,917	3,562	231,084	(1,703)	1,757,600	1,389,595	3,147,195	-	2,483,941	2,483,941	5,631,136
87,843	2,435	142	-	4	5,330	-	-	39,202	190	127,191	7,955	135,146	-	-	-	135,146
315,843	6,724	193,727	20,424	656,018	1,368,353	448,917	3,562	270,286	(1,513)	1,884,791	1,397,550	3,282,341	-	2,483,941	2,483,941	5,766,282
(58,479) (23,569)	(91) (2,545)	(37,031) (8,687)	(129) -	(328,351) 42,671	(1,569,526) 623,939	(390,650) -	(617) 1,738	(162,469) 102,619	- -	(976,980) 113,034	(1,570,363) 623,132	(2,547,343) 736,166	- -	(1,562,571) 113,860	(1,562,571) 113,860	(4,109,914) 850,026
(82,048)	(2,636)	(45,718)	(129)	(285,680)	(945,587)	(390,650)	1,121	(59,850)	-	(863,946)	(947,231)	(1,811,177)	-	(1,448,711)	(1,448,711)	(3,259,888)
(95,089)	(1,436)	(30,893)	(1,334)	(47,576)	(185,888)	(8,919)	(365)	(42,509)	(284)	(224,986)	(189,307)	(414,293)	-	(369,852)	(369,852)	(784,145)
(78,657)	(203)	(63,954)	(2,352)	(234,572)	(174,321)	(36,401)	(2,247)	(63,573)	(2,330)	(477,157)	(181,453)	(658,610)	-	(248,970)	(248,970)	(907,580)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(255,794)	(4,275)	(140,565)	(3,815)	(567,828)	(1,305,796)	(435,970)	(1,491)	(165,932)	(2,614)	(1,566,089)	(1,317,991)	(2,884,080)	-	(2,067,533)	(2,067,533)	(4,951,613)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60,049	2,449	53,162	16,609	88,190	62,557	12,947	2,071	104,354	(4,127)	318,702	79,559	398,261	-	(1,797,236)	(1,797,236)	(1,398,975)
										532,928	11,823	544,751			925,026	1,469,777
										-	-	-			926,631	926,631
										-	-	-			47,019	47,019
										2,515	-	2,515			-	2,515
										15,740	6,703	22,443			16,400	38,843
										(35,047)	(1,819)	(36,866)			(8,234)	(45,100)
										19,810	-	19,810			-	19,810
										854,648	96,266	950,914			109,606	1,060,520
31 December 2018																
General Insurance												Life Assurance			Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Shareholder's fund	Statutory fund		Aggregate Life Insurance
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan					
Rupees in thousand																
7,344,826	70,585	652,691	12,632	1,210,746	5,236,105	596,098	43,884	1,906,664	12,403	11,711,025	5,375,609	17,086,634	763,795	33,131,991	33,895,786	50,982,420
										24,081,711	5,956,243	30,037,954	-	-	-	30,037,954
										35,792,736	11,331,852	47,124,588	763,795	33,131,991	33,895,786	81,020,374
7,287,011	89,828	695,068	21,940	2,592,722	9,514,021	1,341,301	46,326	2,301,540	12,191	14,217,642	9,684,306	23,901,948	108,563	32,649,527	32,758,090	56,660,038
										3,536,884	732,101	4,268,985	-	-	-	4,268,985
										17,754,526	10,416,407	28,170,933	108,563	32,649,527	32,758,090	60,929,023

31 December 2018																
General Insurance												Life Assurance				
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Shareholder's fund	Statutory fund	Aggregate Life Insurance	Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan					
Rupees in thousand																
7,344,826	70,585	652,691	12,632	1,210,746	5,236,105	596,098	43,884	1,906,664	12,403	11,711,025	5,375,609	17,086,634	763,795	33,131,991	33,895,786	50,982,420
										24,081,711	5,956,243	30,037,954	-	-	-	30,037,954
										35,792,736	11,331,852	47,124,588	763,795	33,131,991	33,895,786	81,020,374
7,287,011	89,828	695,068	21,940	2,592,722	9,514,021	1,341,301	46,326	2,301,540	12,191	14,217,642	9,684,306	23,901,948	108,563	32,649,527	32,758,090	56,660,038
										3,536,884	732,101	4,268,985	-	-	-	4,268,985
										17,754,526	10,416,407	28,170,933	108,563	32,649,527	32,758,090	60,929,023

27 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		31 March 2019										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<u>Financial assets - measured at fair value</u>												
<i>Investment</i>												
Equity securities- quoted	9	16,671,248	-	14,214,579	-	-	-	30,885,827	30,885,827	-	-	30,885,827
Equity securities- unquoted	9	2,922,505	-	-	-	-	-	2,922,505	-	-	2,922,505	2,922,505
Debt securities	10	-	5,492,554	-	-	-	-	5,492,554	-	5,492,554	-	5,492,554
Investments of Window Takaful Operations - Operator's Fund	16	30,517	-	-	-	-	-	30,517	-	-	-	-
<u>Financial assets - not measured at fair value</u>												
Loans and other receivables *	12	-	-	-	1,181,728	-	-	1,181,728	-	-	-	-
Loan secured against life insurance policies*		-	-	-	35,012	-	-	35,012	-	-	-	-
Investment - Term deposits*	11	-	17,992,108	-	-	-	-	17,992,108	-	-	-	-
Insurance / reinsurance receivables												
- unsecured and considered good *	13	-	-	-	7,770,123	-	-	7,770,123	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	-	5,817,959	-	-	5,817,959	-	-	-	-
Salvage recoveries accrued *		-	-	-	360,356	-	-	360,356	-	-	-	-
Prepayments *	14				3,608,959			3,608,959	-	-	-	-
Cash and bank *	15	-	-	-	-	2,577,538	-	2,577,538	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	16	-	-	-	254,212	134,152	-	388,364	-	-	-	-
		19,624,270	23,484,662	14,214,579	19,028,349	2,711,690	-	79,063,550	30,885,827	5,492,554	2,922,505	39,300,886
<u>Financial liabilities - not measured at fair value</u>												
<i>Underwriting provisions:</i>												
Outstanding claims (including IBNR)*	21	-	-	-	-	-	10,193,465	10,193,465	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	-	3,588,090	3,588,090	-	-	-	-
Other creditors and accruals*	18	-	-	-	-	-	2,582,521	2,582,521	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	16	-	-	-	-	-	247,051	247,051	-	-	-	-
		-	-	-	-	-	16,611,127	16,611,127	-	-	-	-

* The Group has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

27.1 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		31 December 2018										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<u>Financial assets - measured at fair value</u>												
Investment												
Equity securities- quoted	9	16,477,936	-	13,653,862	-	-	-	30,131,798	30,131,798	-	-	30,131,798
Equity securities- unquoted	9	2,227,610	-	-	-	-	-	2,227,610	-	-	2,227,610	2,227,610
Debt securities	10	-	4,416,804	-	-	-	-	4,416,804	-	4,416,804	-	4,416,804
Investments of Window Takaful Operations - Operator's Fund	16	29,930	-	-	-	-	-	29,930	-	-	-	-
<u>Financial assets - not measured at fair value</u>												
Loans and other receivables *	12	-	-	-	552,070	-	-	552,070	-	-	-	-
Loan secured against life insurance policies*		-	-	-	34,556	-	-	34,556	-	-	-	-
Investment - Term deposits*	11	-	15,426,113	-	-	-	-	15,426,113	-	-	-	-
Insurance / reinsurance receivables												
- unsecured and considered good *	13	-	-	-	7,162,077	-	-	7,162,077	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	-	6,046,905	-	-	6,046,905	-	-	-	-
Salvage recoveries accrued *		-	-	-	350,340	-	-	350,340	-	-	-	-
Prepayments *	14	-	-	-	3,116,455	-	-	3,116,455	-	-	-	-
Cash and bank *	15	-	-	-	-	5,523,097	-	5,523,097	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	16	-	-	-	250,569	101,695	-	352,264	-	-	-	-
		18,735,476	19,842,917	13,653,862	17,512,972	5,624,792	-	75,370,019	30,131,798	4,416,804	2,227,610	36,776,212
<u>Financial liabilities - not measured at fair value</u>												
Underwriting provisions:												
Outstanding claims (including IBNR)*	21	-	-	-	-	-	10,461,975	10,461,975	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	-	2,709,714	2,709,714	-	-	-	-
Other creditors and accruals*	18	-	-	-	-	-	2,687,715	2,687,715	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	16	-	-	-	-	-	229,819	229,819	-	-	-	-
		-	-	-	-	-	16,089,223	16,089,223	-	-	-	-

* The Group has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

28 Date of authorization for issue

This consolidated condensed interim financial information was authorized for issue on 29 April 2019 by the Board of Directors of the Holding Company.

29 Non - adjusting events after balance sheet date

The Board of Directors of the Holding Company in their meeting held on 03 April 2019 proposed final cash dividend for the year ended 31 December 2018 @ 15% i.e. Rs. 1.5/- per share which has been approved by the members in the Annual General Meeting held on 29 April 2019. This consolidated condensed interim financial information for the quarter ended 31 March 2019 does not include the effect of this appropriation which will be accounted for in the consolidated condensed interim financial information for the half year ending 30 June 2019.

30 General

30.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

30.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.



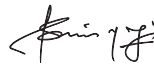
Chairman



Director



Director



**Chief Financial
Officer**



**Managing Director & Chief
Executive Officer**

WINDOW TAKAFUL OPERATIONS

Condensed Interim
Financial Information
for the Quarter Ended
31 March 2019
(Unaudited)



Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Financial position
As at 31 March 2019

As at 31 March 2019


Note	31 March 2019			31 December 2018 Aggregate	
	Operator's Fund	Participants' Takaful Fund	Aggregate		
	Rupees in thousand				
	(Unaudited)			(Audited)	
ASSETS					
Qard-e-Hasna to Participants' Takaful Fund		146,460	-	146,460	146,460
Property and equipment	7	14,975	-	14,975	16,185
Intangible assets	8	20,901	-	20,901	20,633
<i>Investments</i>					
Equity Securities	9	30,517	-	30,517	29,930
Debt Securities	10	-	50,000	50,000	-
Loans and other receivables	11	4,263	12,129	16,392	13,008
Takaful / re-takaful receivables	12	-	266,714	266,714	230,423
Re-takaful recoveries against outstanding claims		-	56,735	56,735	46,654
Salvage recoveries accrued		-	19,661	19,661	15,881
Wakala and mudarib fee receivable		26,250	-	26,250	23,342
Deferred wakala fee	20	-	150,737	150,737	134,721
Deferred commission expense	22	40,024	-	40,024	39,148
Prepayments	13	1,339	97,280	98,619	83,260
Cash & Bank	14	134,152	451,745	585,897	534,528
		272,421	1,105,001	1,377,422	1,187,713
TOTAL ASSETS		418,881	1,105,001	1,523,882	1,334,173
FUNDS AND LIABILITIES					
Operator's Fund					
Statutory fund		50,000	-	50,000	50,000
Reserves		441	-	441	18
Unappropriated profit		121,389	-	121,389	102,357
		171,830	-	171,830	152,375
Waqf / Participants' Takaful Fund					
Ceded money		-	500	500	500
Accumulated deficit / (surplus)		-	12,823	12,823	(28,849)
		-	13,323	13,323	(28,349)
Qard-e-Hasna from Operator's Fund		-	146,460	146,460	146,460
Liabilities					
Underwriting provisions					
Outstanding claims (including IBNR)	19	-	229,570	229,570	220,606
Unearned contribution reserve	18	-	548,119	548,119	500,111
Unearned retakaful rebate	21	-	14,027	14,027	12,735
Contribution deficiency reserve		-	24,103	24,103	24,103
Retirement benefit obligations		1,883	-	1,883	1,883
Deferred taxation		694	-	694	530
Contribution received in advance		-	8,499	8,499	10,158
Takaful / re-takaful payables	15	-	74,391	74,391	24,303
Wakala and mudarib fee payable		-	26,250	26,250	23,342
Unearned wakala fee	20	150,737	-	150,737	134,721
Other creditors and accruals	16	86,860	20,259	107,119	111,195
Taxation - provision less payments		6,877	-	6,877	-
Total Liabilities		247,051	945,218	1,192,269	1,063,687
TOTAL FUND AND LIABILITIES		418,881	1,105,001	1,523,882	1,334,173
Contingencies and commitments	17				

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Profit and Loss Account (Unaudited)
For the Quarter Ended 31 March 2019

	<i>Note</i>	Quarter ended 31 March 2019	Quarter ended 31 March 2018
Rupees in thousand			
Participant Takaful Fund- Revenue Account			
Net Contribution revenue	18	223,942	133,431
Net claims	19	(114,225)	(87,521)
Wakala expense	20	(73,917)	(52,862)
Direct expenses		(12,008)	(8,674)
Retakaful Rebate Earned	21	10,301	7,601
Contribution deficiency reserve		-	-
Claims and acquisition expenses		(189,849)	(141,456)
Underwriting surplus/(deficit)		34,093	(8,025)
Other Income	23	6,383	2,409
Investment income	24	1,196	-
Surplus/(Deficit) for the period		41,672	(5,616)
Operator Takaful Fund - Revenue Account			
Wakala Income	20	73,917	52,862
Commission expense	22	(22,495)	(13,056)
Management expense		(30,235)	(21,051)
		21,187	18,755
Other Income	23	5,247	889
Investment income	24	-	166
Profit before tax		26,434	19,810
Less: Provision for Taxation		(7,402)	(6,453)
Profit after tax		19,032	13,357

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the Quarter Ended 31 March 2019


	Quarter ended 31 March 2019	Quarter ended 31 March 2018
Rupees in thousand		
OPERATOR'S FUND		
Profit/ (loss) after tax	19,032	13,357
Other comprehensive income for the period	-	-
Unrealized gains / (losses) on available-for-sale investment- Net of tax	423	540
Total comprehensive income for the period	19,455	13,897

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Cash Flow Statement (Unaudited)
For the Quarter Ended 31 March 2019






	Quarter ended 31 March 2019			Quarter ended 31 March 2018		
	Operator's Fund	Participants' Takaful Fund	Aggregate	Operator's Fund	Participants' Takaful Fund	Aggregate
Operating cash flows						
(a) Takaful activities						
Contributions received	-	311,116	311,116	-	220,975	220,975
Wakala fee received / (paid)	87,025	(87,025)	-	-	-	-
Retakaful / co-takaful payments made	-	(22,366)	(22,366)	-	(41,136)	(41,136)
Claims paid	-	(134,555)	(134,555)	-	(104,762)	(104,762)
Retakaful and other recoveries received	-	-	-	-	632	632
Commissions paid	(27,441)	-	(27,441)	(11,974)	-	(11,974)
Commissions received	-	11,593	11,593	-	8,347	8,347
Other underwriting payments	-	(10,161)	(10,161)	-	(11,915)	(11,915)
Net cash inflows / (outflows) from takaful activities	59,584	68,602	128,186	(11,974)	72,142	60,168
(b) Other operating activities						
Income tax paid	(525)	-	(525)	(103)	(202)	(305)
General, administration and management expenses paid	(31,448)	-	(31,448)	(22,208)	-	(22,208)
Ceded money to participants' takaful fund	-	-	-	-	-	-
Other Receipts/(Payments)	-	(7,007)	(7,007)	-	9,493	9,493
Other operating receipts - net	-	-	-	-	-	-
Net cash inflows / (outflows) from other operating activities	(31,973)	(7,007)	(38,980)	(22,311)	9,291	(13,020)
Total cash inflows / (outflows) from operating activities	27,611	61,595	89,206	(34,285)	81,433	47,148
Investment activities						
Profit received on bank deposits and investments	5,201	7,661	12,862	1,014	2,020	3,034
Qard-e-Hasna paid to Participants' Takaful Fund	-	-	-	-	-	-
Payment for investments	-	(50,000)	(50,000)	(30,381)	-	(30,381)
Proceeds from disposal of investments	-	-	-	30,381	-	30,381
Fixed capital expenditures	(699)	-	(699)	(172)	-	(172)
Total cash inflows / (outflows) from investing activities	4,502	(42,339)	(37,837)	842	2,020	2,862
Financing activities						
Contribution to Operator's fund	-	-	-	-	-	-
Qard-e-Hasna paid from Operator's Fund	-	-	-	-	-	-
Ceded money	-	-	-	-	-	-
Total cash inflows from financing activities	-	-	-	-	-	-
Net Cash inflows / (outflows) from all activities	32,113	19,256	51,369	(33,443)	83,453	50,010
Cash and cash equivalent at the beginning of the period	102,039	432,489	534,528	41,119	230,872	271,991
Cash and cash equivalent at the end of the period	134,152	451,745	585,897	7,676	314,325	322,001
Reconciliation to profit and loss account						
Operating cash flows	27,611	61,595	89,206	(34,285)	81,433	47,148
Depreciation	(1,641)	-	(1,641)	(494)	-	(494)
Provision for gratuity	-	-	-	-	-	-
provision for impairment in value of 'available-for-sale' investment	-	-	-	-	-	-
Increase in assets other than cash	4,883	85,507	90,390	80,715	69,395	150,110
Increase in liabilities other than cash	(17,068)	(113,009)	(130,077)	(27,181)	(158,853)	(186,034)
Investment income	-	-	-	166	-	166
Return on bank deposits	5,247	7,579	12,826	889	2,409	3,298
Net profit for the period before tax	19,032	41,672	60,704	19,810	(5,616)	14,194

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, bank balances and other deposits which are readily convertible to cash in hand and which are used in cash management function on a day-to-day basis.

	Quarter ended 31 March 2019			Quarter ended 31 March 2018		
	Operator's Fund	Participants' Takaful Fund	Aggregate	Operator's Fund	Participants' Takaful Fund	Aggregate
Cash for the purposes of the statement of cash flows consists of:						
Rupees in thousand						
Cash and cash equivalents	154	-	154	134	-	134
Current and other accounts	133,998	451,745	585,743	7,542	314,325	321,867
Total cash and cash equivalents	134,152	451,745	585,897	7,676	314,325	322,001

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.

 Chairman	 Director	 Director	 Chief Financial Officer	 Managing Director & Chief Executive Officer
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Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Changes in Funds (Unaudited)
For the Quarter Ended 31 March 2019

Balance as at 31 December 2017 - (Audited) - restated

Profit for the period 01 Jan 2018 to 31 March 2018
Other comprehensive income for the
period 01 Jan 2018 to 31 March 2018

Total comprehensive income for the period

Balance as at 31 March 2018 - (Unaudited)

Profit for the period 01 April 2018 to 31 December 2018
Other comprehensive loss for the
period 01 April 2018 to 31 December 2018

Total comprehensive income/(loss) for the period

Balance as at 31 December 2018 - (Audited)

Profit for the period 01 Jan 2019 to 31 March 2019
Other comprehensive income for the
period 01 Jan 2019 to 31 March 2019

Total comprehensive income for the period

Balance as at 31 March 2019 - (Unaudited)

Operator's Fund			
Statutory Fund	Unappropriated Profit / (Loss)	Fair value Reserve	Total
Rupees in thousand			
50,000	49,809	90	99,899
-	13,357	-	13,357
-	-	540	540
-	13,357	540	13,897
50,000	63,166	630	113,796
-	39,191	-	39,191
-	-	(612)	(612)
-	39,191	(612)	38,579
50,000	102,357	18	152,375
-	19,032	-	19,032
-	-	423	423
-	19,032	423	19,455
50,000	121,389	441	171,830

Balance as at 31 December 2017 - (Audited)

Deficit for the period 01 Jan 2018 to 31 March 2018
Other comprehensive surplus/ (deficit) for the
period 01 Jan 2018 to 31 March 2018

Total comprehensive deficit for the period

Balance as at 31 March 2018 - (Unaudited)

Surplus for the period 01 April 2018 to 31 December 2018
Other comprehensive surplus/ (deficit) for the
period 01 April 2018 to 31 December 2018

Total comprehensive surplus for the period

Balance as at 31 December 2018 - (Audited)

Surplus for the period 01 Jan 2019 to 31 March 2019
Other comprehensive surplus/ (deficit) for the
period 01 Jan 2019 to 31 March 2019

Total comprehensive surplus for the period

Balance as at 31 March 2019 - (Unaudited)

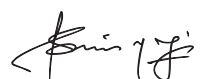
Participants' Takaful Fund			
Ceded Money	Accumulated Surplus / (Deficit)	Fair value Reserve	Total
Rupees in thousand			
500	(36,179)	-	(35,679)
-	(5,616)	-	(5,616)
-	-	-	-
-	(5,616)	-	(5,616)
500	(41,795)	-	(41,295)
-	12,946	-	12,946
-	-	-	-
-	12,946	-	12,946
500	(28,849)	-	(28,349)
-	41,672	-	41,672
-	-	-	-
-	41,672	-	41,672
500	12,823	-	13,323

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Window Takaful Operations

Notes to the Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2019

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Operator is listed on Pakistan Stock Exchange and is engaged in general takaful business comprising fire & property, marine, motor, accident and health and miscellaneous. The registered office of the Operator is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Operator was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("WTO") in respect of general takaful products by Securities and Exchange Commission of Pakistan ("SECP").

The Operator created a Waqf of Rs. 500,000 for Participants' Takaful Fund by signing a Waqf Deed on 01 January 2016. Waqf Deed governs the relationship of the Operator and participants for management of takaful operations and investments under Participants' Takaful Fund ("PTF") and Operator's Takaful Fund ("OTF") approved by the sharia advisor of the Operator.

2 Basis of preparation and statement of compliance

This condensed interim financial information for the quarter ended 31 March 2019 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator for the year ended 31 December 2018. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2018, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator for the quarter ended 31 March 2018.

This condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This condensed interim financial information is presented in Pakistan Rupees which is the Operator's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This condensed interim financial information has been prepared under historical cost convention except certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2018.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2019, as mentioned in the financial statement for the year ended 31 December 2018.

There is no significant impact of such changes on this condensed interim financial information of the Operator.

5 Use of estimates and judgments

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Operator's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended 31 December 2018.

6 Takaful and Financial risk management

The Operator's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended 31 December 2018.

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2019

		Note	31 March 2019			31 December 2018
			Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
			Rupees in thousand			
			(Unaudited)			(Audited)
7	Property and equipment					
	Opening balance- net book value		12,506	-	12,506	12,182
	Addition during the period	7.1	3,079	-	3,079	2,365
	Book value of disposal during the period		-	-	-	-
	Depreciation charged during the period		(610)	-	(610)	(2,041)
			(610)	-	(610)	(2,041)
			14,975	-	14,975	12,506
7.1	Additions during the period					
	Furniture and fixture		534	-	534	202
	Motor vehicles		2,445	-	2,445	1,743
	Office equipment		48	-	48	22
	Computer and related accessories		52	-	52	398
			3,079	-	3,079	2,365
8	Intangible assets					
	Operating Assets-Intangible	8.1	19,601	-	19,601	20,633
	Capital work-in-progress	8.2	1,300	-	1,300	-
			20,901	-	20,901	20,633
8.1	Operating Assets-Intangible					
	Opening balance- net book value		20,633	-	20,633	-
	Transfer from Capital work-in-progress			-	-	22,000
	Less:					
	Book value of disposal during the period		-	-	-	-
	Amortization charged during the period		(1,032)	-	(1,032)	(1,367)
			(1,032)	-	(1,032)	(1,367)
			19,601	-	19,601	20,633
8.2	This includes as advance of Rs. 1.30 million for the development of web portal for takaful operations.					
			31 March 2019		31 December 2018	
			Cost	Impairment/ provision	Cost	Impairment/ provision
			Carrying value		Carrying value	
			Rupees in thousand		Rupees in thousand	
			(Unaudited)		(Audited)	
9	Investments in equity securities					
	Available-for-sale-Mutual Fund					
	Meezan Islamic Income Fund [563,675 units (2018: 563,675 units)]		29,904	-	29,904	29,904
	Unrealized gain on revaluation			613		26
				30,517		29,930
			No. of Certificates		Face Value	
			31 March 2019	31 December 2018	Value of Certificates	
					31 March 2019	31 December 2018
					Rupees in thousand	
10	Investments in debt securities					
	Held-to-maturity					
	Sukuk certificates [Engro Polymer & Chemicals Limited]	500	-	100,000	50,000	-
					50,000	-
			31 March 2019		31 December 2018	
			Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
			Rupees in thousand			
			(Unaudited)			(Audited)
11	Loans and other receivables - Considered good					
	Sales tax recoverable		592	-	592	658
	Advance taxes		-	-	-	-
	Accrued income		1,662	2,429	4,091	4,127
	Loan to employees		760	-	760	505
	Security deposits		525	-	525	1,125
	Bid money for tenders		-	9,700	9,700	6,040
	Advances		724	-	724	553
			4,263	12,129	16,392	13,008
			Note		31 March 2019	31 December 2018
					Rupees in thousand	
					(Unaudited)	(Audited)
12	Takaful/ Re-takaful receivables- Unsecured and considered good					
	Contribution due but unpaid				225,143	208,389
	Less: provision for impairment of contribution due but unpaid				-	-
					225,143	208,389
	Amount due from other takaful/ re-takaful operators				41,571	22,034
	Less: provision for impairment of due from other takaful/ re-takaful operators				-	-
					41,571	22,034
					266,714	230,423

For the Quarter Ended 31 March 2019

14 Cash and Bank

Cash and cash equivalents:

Cash in hand

Current and other

Saving accounts

Saving accounts

14.1 Saving accounts carry expected profit rates ranging from 3.5% to 7% (2018: 3.5% to 7%)

15 Takaful/retakaful payables

Due to takaful contract holders

Due to other takaful / retakaful operators

Agents Commission payable

Federal excise duty

Federal insurance fe

Income tax deducted

Accrued expenses

Others

Others

There has been no significant change in the contingencies and commitments since the date of preceding published annual financial statements.

18 Net contribution revenue

Gross contribution written

Opening: Unearned contribution revenue

Closing: Unearned contribution revenue

Contribution earned

Contribution earned

Re-takaful contribution ceded

Add: Prepaid re-takaful contribution ceded opening

Less: Prepaid

31 March 2019	31 March 2018
Rupees in thousand	
329,529	262,412
500,111	284,406
(548,119)	(371,949)
281,521	174,869
68,349	44,108
64,494	52,244
(75,264)	(54,914)
57,579	41,438
223,942	133,431

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Quarter Ended 31 March 2019

	31 March 2019	31 March 2018
	Rupees in thousand	
19 Net Claims		
Claims Paid	134,555	104,762
Add: Outstanding claims including IBNR closing	229,570	156,637
Less: Outstanding claims including IBNR opening	(220,606)	(153,116)
Claim expense	143,519	108,283
Less: Re-takaful and other recoveries received	15,432	4,166
Add: Re-takaful and other recoveries in respect of outstanding claims net of impairment (if any)	76,396	57,607
Less: Re-takaful and other recoveries in respect of outstanding claims net of impairment (if any)	(62,534)	(41,011)
Re-takaful and other recoveries revenue	29,294	20,762
Net claim expense	114,225	87,521
	31 March 2019	31 March 2018
	Rupees in thousand	
20 Wakala Income		
Gross Wakala fee	89,933	71,141
Add: Unearned Wakala fee Opening	134,721	89,452
Less: Unearned Wakala fee Closing	(150,737)	(107,731)
Net Wakala Income	73,917	52,862
	31 March 2019	31 March 2018
	Rupees in thousand	
21 Re-takaful rebate unearned		
Re-takaful rebate received	11,593	8,347
Add: re-takaful rebate opening	12,735	10,156
Less: re-takaful rebate closing	(14,027)	(10,902)
Net re-takaful rebate	10,301	7,601
	31 March 2019	31 March 2018
	Rupees in thousand	
22 Commission Expense		
Commission paid or payable	23,371	20,198
Add: Deferred commission opening	39,148	20,213
Less: Deferred commission closing	(40,024)	(27,355)
Net commission	22,495	13,056
	31 March 2019	31 March 2018
	Rupees in thousand	
23 Other income		
Profit on bank deposits	5,247	6,383
	5,247	6,383
	11,630	3,298
	11,630	3,298
	31 March 2019	31 March 2018
	Rupees in thousand	
24 Investment income		
Profit on mutual funds	-	-
Profit on Sukuks	-	1,196
	-	1,196
	-	1,196

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Notes to the Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2019

25 Segment Information

Each class of business has been identified as reportable segment. Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000. The following is a schedule of class of business wise assets and liabilities.

	Participants' Takaful Fund					Total
	31 March 2019 (Unaudited)					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Participants' Takaful Fund						
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	46,561	10,375	255,772	40,806	31,856	385,370
Less : Federal Excise Duty	(6,368)	(1,419)	(34,978)	(5,580)	(4,356)	(52,701)
Federal Insurance Fee	(398)	(89)	(2,186)	(349)	(272)	(3,294)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	39,795	8,867	218,608	34,877	27,228	329,375
Facultative inward contribution	154	-	-	-	-	154
Gross Contribution Written	39,949	8,867	218,608	34,877	27,228	329,529
Contribution earned	36,746	9,332	167,580	50,070	17,793	281,521
Retakaful expense	(30,238)	(7,286)	(4,339)	-	(15,716)	(57,579)
Net contribution revenue	6,508	2,046	163,241	50,070	2,077	223,942
Net rebate on re-takaful	5,991	1,544	-	-	2,766	10,301
Net underwriting income	12,499	3,590	163,241	50,070	4,843	234,243
Takaful claims	(7,125)	(3,462)	(74,848)	(47,774)	(10,310)	(143,519)
Re-takaful and other recoveries	6,189	2,751	11,126	-	9,228	29,294
Net claims	(936)	(711)	(63,722)	(47,774)	(1,082)	(114,225)
Wakala fee	(10,289)	(3,267)	(43,423)	(12,517)	(4,421)	(73,917)
Direct expense	(181)	(20)	(11,670)	(77)	(60)	(12,008)
Contribution deficiency reserve	-	-	-	-	-	-
Net takaful claims and expenses	(11,406)	(3,998)	(118,815)	(60,368)	(5,563)	(200,150)
Underwriting results	1,093	(408)	44,426	(10,298)	(720)	34,093
Other Income						6,383
Investment income						1,196
Surplus for the period						41,672
Segment assets	113,698	11,239	300,783	50,675	92,716	569,111
Unallocated assets	-	-	-	-	-	535,890
Total assets	113,698	11,239	300,783	50,675	92,716	1,105,001
Segment liabilities	101,897	7,894	569,625	162,185	83,358	924,959
Unallocated liabilities	-	-	-	-	-	166,719
Total liabilities	101,897	7,894	569,625	162,185	83,358	1,091,678

Participants' Takaful Fund

Contribution receivable (inclusive of Federal
Excise Duty, Federal Insurance Fee and
Administrative Surcharge)

Less : Federal Excise Duty
Federal Insurance Fee

Gross Direct Written Contribution
(inclusive of Administrative Surcharge)
Facultative inward contribution

Gross Contribution Written

Contribution earned

Retakaful expense

Net contribution revenue

Net rebate on re-takaful

Net underwriting income

Takaful claims

Re-takaful and other recoveries

Net claims

Wakala fee

Direct expense

Contribution deficiency reserve

Net takaful claims and expenses

Underwriting results

Other Income

Investment income

Deficit for the period

31 March 2018 (Unaudited)					
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
Rupees in thousand					
36,948	5,177	193,967	55,008	15,790	306,890
(5,053)	(708)	(26,526)	(7,523)	(2,159)	(41,969)
(316)	(44)	(1,658)	(470)	(135)	(2,623)
31,579	4,425	165,783	47,015	13,496	262,298
114	-	-	-	-	114
31,693	4,425	165,783	47,015	13,496	262,412
25,974	4,447	98,921	29,609	15,918	174,869
(20,809)	(3,354)	(3,181)	-	(14,094)	(41,438)
5,165	1,093	95,740	29,609	1,824	133,431
4,210	721	-	-	2,670	7,601
9,375	1,814	95,740	29,609	4,494	141,032
(5,442)	(80)	(59,936)	(30,765)	(12,060)	(108,283)
3,020	63	6,825	-	10,854	20,762
(2,422)	(17)	(53,111)	(30,765)	(1,206)	(87,521)
(7,984)	(1,556)	(30,848)	(7,933)	(4,540)	(52,861)
42	(1)	(8,447)	(15)	(253)	(8,674)
-	-	-	-	-	-
(10,364)	(1,574)	(92,406)	(38,713)	(5,999)	(149,056)
(989)	240	3,334	(9,104)	(1,505)	(8,025)
					2,409
					(5,616)

31 December 2018 (Audited)					
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
Rupees in thousand					
107,033	8,886	236,843	68,175	69,368	490,305
-	-	-	-	-	461,674
107,033	8,886	236,843	68,175	69,368	951,979
91,054	5,907	488,533	170,589	59,356	815,439
-	-	-	-	-	164,889
91,054	5,907	488,533	170,589	59,356	980,328

Assets

Segment assets

Unallocated assets

Total assets

Liabilities

Segment liabilities

Unallocated liabilities

Total liabilities

Operator's Fund						
31 March 2019 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Operator's Fund						
Wakala fee income	10,289	3,267	43,423	12,517	4,421	73,917
Less : Commission expense	(4,866)	(1,443)	(12,141)	(2,599)	(1,446)	(22,495)
Management expenses	(6,540)	(1,940)	(16,318)	(3,493)	(1,944)	(30,235)
	(1,117)	(116)	14,964	6,425	1,031	21,187
Other Income						5,247
Investment income						-
Profit before tax						26,434
Segment assets	11,219	782	42,798	7,730	3,744	66,274
Unallocated assets	-	-	-	-	-	352,607
Total assets	11,219	782	42,798	7,730	3,744	418,881
Segment liabilities	16,200	175	104,230	22,446	7,686	150,737
Unallocated liabilities	-	-	-	-	-	96,314
Total liabilities	16,200	175	104,230	22,446	7,686	247,051
31 March 2018 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Operator's Fund						
Wakala fee income	7,984	1,556	30,849	7,933	4,540	52,862
Less : Commission expense	(3,600)	(628)	(5,554)	(1,937)	(1,337)	(13,056)
Management expenses	(5,804)	(1,013)	(8,955)	(3,123)	(2,156)	(21,051)
	(1,420)	(85)	16,340	2,873	1,047	18,755
Other Income						889
Investment income						166
Profit before tax						19,810
31 December 2018 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Segment assets	10,478	663	37,012	9,690	4,647	62,490
Unallocated assets	-	-	-	-	-	319,704
Total assets	10,478	663	37,012	9,690	4,647	382,194
Segment liabilities	15,303	338	87,536	26,244	5,300	134,721
Unallocated liabilities	-	-	-	-	-	95,098
Total liabilities	15,303	338	87,536	26,244	5,300	229,819

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Notes to the Condensed Interim Financial Information (Unaudited)

For the Quarter Ended 31 March 2019

26 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

		Participants' Takaful Fund								
		31 March 2019 (Unaudited)								
		Carrying amount				Fair value				
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
<i>Financial assets not measured at fair value</i>										
Investments - Debt Securities	10	50,000	-	-	-	50,000	-	-	-	-
Loan and other receivables	11	-	16,392	-	-	16,392	-	-	-	-
Takaful / re-takaful receivables	12	-	266,714	-	-	266,714	-	-	-	-
Retakaful recoveries against outstanding claims		-	56,735	-	-	56,735	-	-	-	-
Salvage recoveries accrued		-	19,661	-	-	19,661	-	-	-	-
Cash and bank deposits	14	-	-	585,897	-	585,897	-	-	-	-
		50,000	359,502	585,897	-	995,399	-	-	-	-
<i>Financial liabilities not measured at fair value</i>										
Outstanding claims including IBNR	19	-	-	-	229,570	229,570	-	-	-	-
Takaful / retakaful payables		-	-	-	74,391	74,391	-	-	-	-
Wakala and mudarib fee payable		-	-	-	26,250	26,250	-	-	-	-
Other creditors and accruals	16	-	-	-	6,033	6,033	-	-	-	-
		-	-	-	336,244	336,244	-	-	-	-

		Participants' Takaful Fund								
		31 December 2018 (Audited)								
		Carrying amount				Fair value				
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
Financial assets not measured at fair value										
Investments - Debt Securities	10	-	-	-	-	-	-	-	-	-
Loan and other receivables	11	-	8,551	-	-	8,551	-	-	-	-
Takaful / re-takaful receivables	12	-	230,423	-	-	230,423	-	-	-	-
Retakaful recoveries against outstanding claims		-	46,654	-	-	46,654	-	-	-	-
Salvage recoveries accrued		-	15,881	-	-	15,881	-	-	-	-
Cash and bank deposits	14	-	-	432,489	-	432,489	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	301,509	432,489	-	733,998	-	-	-	-
Financial liabilities not measured at fair value										
		-	-	-	-	-	-	-	-	-
Outstanding claims including IBNR	19	-	-	-	24,303	24,303	-	-	-	-
Takaful / retakaful payables		-	-	-	220,606	220,606	-	-	-	-
Wakala and mudarib fee payable		-	-	-	23,342	23,342	-	-	-	-
Other creditors and accruals	16	-	-	-	937	937	-	-	-	-
		-	-	-	269,188	269,188	-	-	-	-

		Operator's Takaful Fund							
		31 March 2019 (Unaudited)							
Note	Carrying amount					Fair value			
	Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	Rupees in thousand								
<i>Financial assets measured at fair value</i>									
Investments - Equity Securities	9	30,517	-	-	-	30,517	-	-	30,517
<i>Financial assets not measured at fair value</i>									
Loan and other receivables	11	-	2,947	-	-	2,947	-	-	-
Wakala and mudarib fee receivable		-	26,250	-	-	26,250	-	-	-
Cash and bank deposits	14	-	-	134,152	-	134,152	-	-	-
		<u>30,517</u>	<u>29,197</u>	<u>134,152</u>	<u>-</u>	<u>193,866</u>	<u>30,517</u>	<u>-</u>	<u>30,517</u>
<i>Financial liabilities not measured at fair value</i>									
Other creditors and accruals	16	-	-	-	82,669	82,669	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>82,669</u>	<u>82,669</u>	<u>-</u>	<u>-</u>	<u>-</u>
		Operator's Takaful Fund							
		31 December 2018 (Audited)							
Note	Carrying amount					Fair value			
	Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	Rupees in thousand								
<i>Financial assets measured at fair value</i>									
Investments - Equity Securities	9	29,930	-	-	-	29,930	-	-	29,930
<i>Financial assets not measured at fair value</i>									
Loan and other receivables	11	-	3,246	-	-	3,246	-	-	-
Wakala and mudarib fee receivable		-	23,342	-	-	23,342	-	-	-
Cash and bank deposits	14	-	-	102,039	-	102,039	-	-	-
		<u>29,930</u>	<u>26,588</u>	<u>102,039</u>	<u>-</u>	<u>158,557</u>	<u>29,930</u>	<u>-</u>	<u>29,930</u>
<i>Financial liabilities not measured at fair value</i>									
Other creditors and accruals	16	-	-	-	90,262	90,262	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>90,262</u>	<u>90,262</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Notes to the Condensed Interim Financial Information (Unaudited)

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	31 March 2019	31 December 2018
	Rupees in thousand	
	(Unaudited)	(Audited)
27 Movement in Investment - Available for sale		
Opening balance	29,930	30,343
Additions	-	119,195
Disposals (sales and redemptions)	-	(119,506)
Fair value on gains (excluding net realized gain)	587	(102)
Impairment / (reversal of losses)	-	-
Closing balance	30,517	29,930

28 Transactions with related parties

The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to this financial statements.

	31 March 2019	31 March 2018
	Rupees in thousand	
i) Transactions		
Subsidiary Company		
Contribution underwritten	884	135
Contribution received	915	154
Claims paid	-	-
Other related parties		
Contribution underwritten	59,153	26,994
Contribution received	68,746	15,716
Claims paid	10,091	3,889
Income on bank deposits	840	304
ii) Period end balances		
Subsidiary Company		
Balances payable	57	-
Other related parties		
Balances receivable	16,955	24,177
Balances payable	9,303	3,245
contribution received in advance	298	-
Cash and bank balances	77,185	54,171

29 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended 31 March 2019.

30 Date of authorization for issue

This condensed financial information was authorized for issue on 29 April 2019 by the Board of Directors of the Operator.

31 General

31.1 Corresponding figures have been rearranged and reclassified for better presentation, where considered necessary.

31.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.




Chairman



Director



Director



Chief Financial Officer



Managing Director &
Chief Executive Officer